SENATE—*Tuesday, October 5, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Lord of all life, our prayer is like breathing. We breathe in Your Spirit and breathe out praise to You. Help us to take a deep breath of Your love, peace, and joy so that we will be refreshed and ready for the day. Throughout the day, if we grow weary, give us a runner's second wind of renewed strength. What oxygen is to the lungs, Your Spirit is to our souls.

Grant the Senators the rhythm of receiving Your Spirit and leading with supernatural wisdom. In this quiet moment, we join with them in asking You to match the inflow of Your power with the outflow of energy for the pressures of the day. So much depends on inspired leadership from the Senators at this strategic time. Grant each one what he or she needs to serve courageously today. Thank You for a great day lived for Your glory. You are our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE VOINOVICH, a Senator from the State of Ohio, led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Arizona is recognized.

Mr. MCCAIN. I thank the Chair.

SCHEDULE

Mr. MCCAIN. MR. PRESIDENT, TODAY THE SENATE WILL RESUME CONSIDERATION OF THE PENDING AMENDMENTS TO THE FAA BILL. SENATORS SHOULD BE AWARE THAT ROLLCALL VOTES ARE POSSIBLE TODAY PRIOR TO THE 12:30 RECESS IN AN ATTEMPT TO COMPLETE ACTION ON THE BILL BY THE END OF THE DAY. AS A REMINDER, FIRST-DEGREE AMENDMENTS TO THE BILL MUST BE FILED BY 10 A.M. TODAY. AS A FURTHER REMINDER, DEBATE ON THREE JUDICIAL NOMINATIONS TOOK PLACE LAST NIGHT AND BY PREVIOUS CONSENT THERE WILL BE THREE STACKED VOTES ON THOSE NOMINATIONS AT 2:15 P.M. TODAY. FOLLOWING THE COMPLETION OF THE FAA BILL, THE SENATE WILL RESUME CONSIDERATION OF THE LABOR-HHS APPROPRIATIONS BILL.

I thank my colleagues for their attention.

AIR TRANSPORTATION IMPROVEMENT ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the pending amendments to the FAA bill.

Pending:

Gorton Amendment No. 1892, to consolidate and revise provisions relating to slot rules for certain airports.

Gorton (for Rockefeller/Gorton) Amendment No. 1893, to improve the efficiency of the air traffic control system.

Baucus Amendment No. 1898, to require the reporting of the reasons for delays or cancellations in air flights.

Mr. MCCAIN. Mr. President, I am sorry that I was not here yesterday when the debate began. Nevertheless, I rise in support of S. 82, the Air Transportation Improvement Act. As everyone should be aware, this is ''must-pass'' legislation that includes numerous provisions to maintain and improve the safety, security and capacity of our nation's airports and airways. Furthermore, this bill would make great strides in enhancing competition in the airline industry.

If Congress does not reauthorize the Airport Improvement Program (AIP), the Federal Aviation Administration (FAA) will be prohibited from issuing much needed grants to airports in every state, regardless of whether or not funds have been appropriated. We have now entered fiscal year 2000, and we cannot put off reauthorization of the AIP. The program lapsed as of last Friday. Every day that goes by without an AIP authorization is another day that important projects cannot move ahead.

If we fail to reauthorize this program, we may do significant harm to the transportation infrastructure of our country. AIP grants play a critical part of airport development. Without these grants, important safety, security, and capacity projects will be put at risk throughout the country. The types of safety projects that airports use AIP grants to fund include instrument landing systems, runway lighting, and extensions of runway safety areas.

But the bill does more than provide money. It also takes specific, proactive steps to improve aviation safety. For example, S. 82 would require that cargo aircraft be equipped with instruments that warn of impending midair collisions. Passenger aircraft are already equipped with collision avoidance equipment, which gives pilots ample time to make evasive maneuvers. The need for these devices was highlighted a few months ago by a near-collision between two cargo aircraft over Kansas. Unfortunately, that was not an isolated incident.

On the aviation safety front, the bill also: provides explicit AIP funding eligibility for the installation of integrated inpavement lighting systems, and other runway incursion prevention devices, requires more types of fixed-wing aircraft in air commerce to be equipped with emergency locator transmitters by 2002, provides broader authority to the FAA to determine what circumstances warrant a criminal history record check for persons performing security screening of passengers and cargo, reauthorizes the aviation insurance program, also known as war risk insurance. This program provides insurance for commercial aircraft that are operating in high risk areas, such as countries at war or on the verge of war. Commercial insurers usually will not provide coverage for such operations, which are often required to advance U.S. foreign policy or to support our overseas national security operations. The program expired on August 6, 1999, and cannot be extended without this authorization, gives the FAA the authority to fine unruly airline passengers who interfere with the operation or safety of a civil flight, up to $10,000 per violation, authorizes $450,000 to address the problem of bird ingestions into aircraft engines, authorizes $9.1 million over three years for a safety and security management program to provide training for aviation safety personnel. The program would concentrate on personnel from countries that are not in compliance with international safety standards, authorizes at least $30 million annually for the FAA to purchase precision instrument landing systems (ILS) through its ILS inventory program, authorizes at least $5 million for the FAA to carry out at least one project to test and evaluate innovative airport security systems and related technologies, including explosive detection systems in an airport environment, requires the FAA to maintain human weather observers to augment the services provided by the Automated Surface Observation System (ASOS) weather stations, at least until the FAA certifies that the automated systems provide consistent reporting of changing meteorological conditions, allows the FAA to continue and expand its successful

program of establishing consortia of government and aviation industry representatives at individual airports to provide advice on aviation security and safety, requires that individuals be fined or imprisoned when they knowingly pilot a commercial aircraft without a valid FAA certificate, requires the FAA to consider the need for (1) improving runway safety areas, which are essentially runway extensions that provide a landing cushion beyond the ends of runways; (2) requiring the installation of precision approach path indicators, which are visual vertical guidance landing systems for runways, prohibits any company or employee that is convicted of an offense involving counterfeit aviation parts from keeping or obtaining an FAA certificate. Air carriers, repair stations, manufacturers, and any other FAA certificate holders would be prohibited from employing anyone convicted of an offense involving counterfeit parts.

This bill requires the FAA to accelerate a rulemaking on Flight Operations Quality Assurance. FOQA is a program under which airlines and their crews share operational information, including data captured by flight data recorders. Information about errors is shared to focus on situations in which hardware, air traffic control procedures, or company practices create hazardous situations.

It requires the FAA to study and promote improved training in the human factors arena, including the development of specific training curricula.

It provides FAA whistleblowers who uncover safety risks with the ability to seek redress if they are subject to retaliation for their actions.

The legislation provides employees of airlines, and employees of airline contractors and subcontractors, with statutory whistleblower protections to facilitate their providing air safety information.

These provisions will be critical in the continuing effort to enhance safety and reduce the accident rate.

Of all the bills that the Senate may consider this year, the Air Transportation Improvement Act should be easy. This bill is substantially the same as the Wendell H. Ford National Air Transportation System Improvement Act, which this body approved last September by a vote of 92–1. If anything, this bill is better than last year's. There is no rational reason why we can't take care of this quickly.

Because S. 82 is so similar to last year's FAA reauthorization bill, I will skip a lengthy description of every provision, particularly those that have not changed. Nevertheless, I do want to remind my colleagues of a few key items in this legislation and describe what has changed since last year.

The manager's amendment to this bill, which is in the nature of a substitute, has at least three critical parts that are worth highlighting. First and foremost, S. 82 reauthorizes the FAA and the AIP through fiscal year 2002. Second, the bill contains essential provisions to promote a competitive aviation industry. Third, it will protect the environment in our national parks by establishing a system for the management of commercial air tour overflights. With the help of my colleagues, I have worked long and hard on all of these issues.

The provisions in S. 82 that have generated the most discussion are the airline competition provisions. As I have said many times, the purpose of these provisions is to complete the deregulation of our domestic aviation system for the benefit of consumers and communities everywhere. According to the General Accounting Office, there still exist significant barriers to competition at several important airports in this country. These barriers include slot controls at Chicago O'Hare, Reagan National, and LaGuardia and Kennedy in New York, and the Federal perimeter rule at Reagan National.

In a recent study, the GAO found that the established airlines have expanded their slot holdings a the four-slot constrained airports, while the share held by startup airlines remains low. Airfares at these airports continue to be consistently higher than other airports of comparable size.

It does not take a trained economist to figure that out. If you restrict the number of flights, then obviously the cost of those flights will go up.

Additionally, the federal permimeter rule continues to prevent airlines based outside the perimeter from gaining competitive access to Reagan National.

This GAO report reinforces my view that the perimeter rule is a restrictive and anti-competitive Federal regulation that prohibits airlines from flying the routes sought by their customers. According to testimony presented to the Commerce Committee by the Department of Transportation, the perimeter rule is not needed for safety or operational reasons. For that matter, neither are slot controls. Therefore, these restrictions simply are not warranted.

So long as the Federal Government maintains outdated unneeded restrictions, which favor established airlines over new entrants, deregulation will not be complete. Slot controls and the perimeter rule are Federal interference with the market's ability to reflect consumer preferences. We should not be in the position of choosing sides in the marketplace.

With respect to Reagan National, I would like to make one final point. Just last month, the GAO came out with another study confirming that the airport is fully capable of handling more flights without compromising safety or creating significant aircraft delays. The GAO also found that the proposal in this bill pertaining to perimeter rule would not significantly harm any of the other airports in this region. I believe the GAO's findings demonstrated that there are no credible arguments against the modest changes proposed in this bill.

Although the reported version of S. 82 increased the number of new opportunities for service to Reagan National compared to last year's bill, an amendment that will be offered by Senators GORTON and ROCKEFELLER will bring the total number of slot exemptions back to the level approved by the Senate last year. It is sadly ironic that an airport named for President Reagan, who stood for free markets and deregulation, will continue to be burdened with two forms of economic regulation—slots and a perimeter rule. But some loosening of these unfair restrictions is better than the status quo, and so I will not oppose the amendment.

Fortunately, the competition-related amendment being offered by Senator GORTON and others includes several significant improvements to the reported bill. Most notably, the slot controls at O'Hare, Kennedy, and LaGuardia airports will eventually be eliminated. This is a remarkable win for consumers and a change that I endorse wholeheartedly. Furthermore, before the slot controls are lifted entirely, regional jets, and new entrant air carriers will have more opportunities to serve these airports. The typically low cost, low fare new entrants will bring competition to these restricted markets, which will result in lower fares for travelers. Travelers from small communities will benefit from increased access to these crucial markets.

I am not alone in believing that the competition provisions in the bill are a big step forward for all Americans. Support for these competition-enhancing provisions is strong and widespread. I have heard from organizations as diverse as the Western Governor's Association of Attorneys General, the Des Monies International Airport, and Midwest Express Airlines. All of them support one or more of the provisions that loosen or eliminate slot and perimeter rule restrictions.

But it was a letter from just an average citizen in Alexandria, VA that caught my attention. He said that he feels victimized by the artificial restrictions placed on flights from Reagan National. His young family is living on one paycheck. He says that his family budget does not allow them the luxury of using Reagan National, which is less than ten minutes from his home. To him, using Reagan National seems to be ''a privilege reserved for the wealthy and those on expense accounts.'' For the sake of his privacy I will not mention his name, but this is precisely the type of person who deserves the benefits of more competition at restricted airports like Reagan National.

In summary, this bill represents two years of work on a comprehensive package to promote aviation safety, airport and air traffic control infrastructure investment, and enhanced competition in the airline industry. Our air transportation system is essential to the Nation's well being. We must not neglect its pressing needs. If we fail to act, the FAA will be prevented from addressing vital security and safety needs in every State in the Union. I urge all of my colleagues to support swift passage of this legislation.

I thank Senator HOLLINGS and his staff, Senator ROCKEFELLER, Senator GORTON, and all members of the Commerce Committee who have taken a very active role in putting this legislation together. It is a significantly large piece of legislation reflecting a great deal of complexities associated with aviation and the importance of it.

Approximately a year ago, a commission that was mandated to be convened by legislation reported to the Congress and the American people. Their findings and recommendations were very disturbing. In summary, these very qualified individuals reported that unless we rapidly expand our aviation capability in America, every day, in every major airport in America, is going to be similar to the day before Thanksgiving. I do not know how many of my colleagues have had the opportunity of being in a major airport on the busiest day of the year in America. It is not a lot of fun.

I do a lot of flying, a great deal of flying this year, more than I have in previous years. I see the increase in delays, especially along the east coast corridor. I have seen when there is a little bit of bad weather our air traffic control system becomes gridlocked and hours and hours of delay ensue. These delays are well documented.

The committee is going to have to look at what we have done in the air traffic control system modernization area. We are going to have to look at what they have not done. There are a number of recommendations, some of which we have acted on in this committee, some of which we have not. But if we do not pass this legislation, then how can we move forward in aviation in this country?

I believe any objective economist will assure all of us that deregulation has led to increased competition and lower fares. But some of that trend has leveled off of late because of a lack of competition, because of a lack of ability to enter the aviation industry.

This is disturbing to me because the one thing, it seems to me, we owe Americans is an affordable way of getting from one place to another; and more and more Americans, obviously, are making use of the airlines.

I can give you a lot of anecdotal stories about what the effective competition is. For example, at Raleigh-Durham Airport, when it was announced that a new, low-cost airline was going to be operating out of that airport, the day after the announcement, long before the airline started its competition, the average fares dropped by 25 percent—a 25-percent drop in average airfares.

We have to do whatever we can to encourage the ability of new entrants to come into the aviation business. My greatest disappointment in deregulation of the airlines is that the phenomenon which was generated initially has not remained nearly at the level we would like to see it.

There are problems many of my colleagues, including the Senator from West Virginia, have talked about at length—of rural areas not being able to have just minimal air services. That is why we are dramatically increasing the essential air service authorization, so that more rural areas can achieve it.

I also think it is very clear the air traffic control system is lagging far behind. I think there is no doubt that we have had problems with passengers receiving fundamental courtesies and rights which they deserve. That is why there has been so much attention generated concerning the need for some fundamental, basic rights that passengers should have and receive from the airlines. For example, the debacle of last Christmas at Detroit should never be repeated in America, what airline passengers were subjected to on that unhappy occasion. Yes, it was generated by bad weather, but, no, there was no excuse for the treatment many of those airline passengers received on that day and other passengers have received in other airports around the country, only the examples were not as egregious, nor did they get the widespread publicity.

If you believe, as I do, if we continue the economic prosperity that we have been enjoying in this country, we will continue to see a dramatic and very significant increase in the use of the airlines by American citizens, we have major challenges ahead.

I do not pretend that this legislation addresses all of those challenges, but I do assert, unequivocally, that if we pass this legislation, pass it through the body, get it to conference, and get it out, we will make some significant steps forward, including in the vital area of aviation safety.

I again thank Senator GORTON and Senator ROCKEFELLER for all their hard work on this issue. I remind my colleagues that in about 5 minutes, according to the unanimous consent agreement, all relevant amendments should be filed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I ask unanimous consent that notwithstanding the 10 a.m. filing requirement, it be in order for a managers' amendment and, further, the majority and minority leaders be allowed to offer one amendment each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCAIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. COLLINS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Baucus amendment No. 1898.

Ms. COLLINS. Mr. President, I ask unanimous consent that the pending amendment be laid aside and that I be permitted to call up an amendment that I have at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1907

(Purpose: To establish a commission to study the impact of deregulation of the airline industry on small town America)

Ms. COLLINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. CRAPO). The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself, Mr. BURNS, Mr. BAUCUS, Mr. ROBB, Mr. HOLLINGS, Mr. ROCKEFELLER, and Mr. HARKIN, proposes an amendment numbered 1907.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following new section:

SEC. ___01. AIRLINE DEREGULATION STUDY COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—

(1) ESTABLISHMENT.—There is established a commission to be known as the Airline Deregulation Study Commission (in this section referred to as the ''Commission'').

(2) MEMBERSHIP.—

(A) COMPOSITION.—Subject to subparagraph (B), the Commission shall be composed of 15 members of whom—

(i) 5 shall be appointed by the President;

(ii) 5 shall be appointed by the President pro tempore of the Senate, 3 upon the recommendation of the Majority Leader, and 2 upon the recommendation of the Minority Leader of the Senate; and

(iii) 5 shall be appointed by the Speaker of the House of Representatives, 3 upon the Speaker's own initiative, and 2 upon the recommendation of the Minority Leader of the House of Representatives.

(B) MEMBERS FROM RURAL AREAS.—

(i) REQUIREMENT.—Of the individuals appointed to the Commission under subparagraph (A)—

(I) one of the individuals appointed under clause (i) of that subparagraph shall be an individual who resides in a rural area; and

(II) two of the individuals appointed under each of clauses (ii) and (iii) of that subparagraph shall be individuals who reside in a rural area.

(ii) GEOGRAPHIC DISTRIBUTION.—The appointment of individuals under subparagraph (A) pursuant to the requirement in clause (i) of this subparagraph shall, to the maximum extent practicable, be made so as to ensure that a variety of geographic areas of the country are represented in the membership of the Commission.

(C) DATE.—The appointments of the members of the Commission shall be made not later than 60 days after the date of the enactment of this Act.

(3) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(4) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(5) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(6) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(7) CHAIRPERSON.—The Commission shall select a Chairman and Vice Chairperson from among its members.

(b) DUTIES OF THE COMMISSION.—

(1) STUDY.—

(A) DEFINITIONS.—In this subsection, the terms 'air carrier' and 'air transportation' have the meanings given those terms in section 40102(a).

(B) CONTENTS.—The Commission shall conduct a thorough study of the impacts of deregulation of the airline industry of the United States on—

(i) the affordability, accessibility, availability, and quality of air transportation, particularly in small-sized and medium-sized communities;

(ii) economic development and job creation, particularly in areas that are underserved by air carriers;

(iii) the economic viability of small-sized airports; and

(iv) the long-term configuration of the United States passenger air transportation system.

(C) MEASUREMENT FACTORS.—In carrying out the study under this subsection, the Commission shall develop measurement factors to analyze the quality of passenger air transportation service provided by air carriers by identifying the factors that are generally associated with quality passenger air transportation service.

(D) BUSINESS AND LEISURE TRAVEL.—In conducting measurements for an analysis of the affordability of air travel, to the extent practicable, the Commission shall provide for appropriate control groups and comparisons with respect to business and leisure travel.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commission shall submit an interim report to the President and Congress, and not later than 18 months after the date of the enactment of this Act, the Commission shall submit a report to the President and Congress. Each such report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(c) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the duties of the Commission under this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission shall consult with the Comptroller General of the United States and may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the duties of the Commission under this section. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) COMMISSION PERSONNEL MATTERS.—

(1) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(2) STAFF.—

(A) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(4) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(e) TERMINATION OF COMMISSION.—The Commission shall terminate 90 days after the date on which the Commission submits its report under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated $950,000 for fiscal year 2000 to the Commission to carry out this section.

(2) AVAILABILITY.—Any sums appropriated pursuant to the authorization of appropriations in paragraph (1) shall remain available until expended.

Ms. COLLINS. Mr. President, I rise today to offer an amendment to the FAA reauthorization bill to establish an independent commission to thoroughly examine the impact of airline deregulation on smalltown America. I am very pleased to be joined in this effort by several cosponsors, including Senators ROCKEFELLER, BURNS, BAUCUS, ROBB, HOLLINGS, and HARKIN.

This amendment is modeled after a bill I recently introduced that would authorize a study into how airline deregulation has affected the economic development of smaller towns in America, the quality and availability of air transportation, particularly in rural areas of this country, and the long-term viability of local airports in smaller communities and rural areas.

For far too long, small communities throughout this Nation, from Bangor, ME, to Billings, MT, to Bristol, TN, have weathered the effects of airline deregulation without adequately assessing how deregulation has affected their economic development, their ability to create and attract new jobs, the quality and availability of air transportation for their residents, and the long-term viability of their local airports. It is time to evaluate the effects of airline deregulation from this new perspective by looking at how it has affected the economies in small towns and rural America.

Bangor, ME, where I live, is an excellent example of how airline deregulation can cause real problems for a smaller community. Bangor recently learned it was going to lose the services of Continental Express. This follows a pullout by Delta Airlines last year. It has been very difficult for Bangor to provide the kind of quality air service that is so important in trying to attract new businesses to locate in the area as well as to encourage businesses to expand.

Nowadays, businesses expect to have convenient, accessible, and affordable air service. It is very important to their ability to do business. Although there have been several studies on the impact of airline deregulation, they have all focused on some aspects of air service itself. For example, there have been GAO studies that have looked at the impact on airline prices.

Not one study I am aware of has actually analyzed the impact of airline deregulation on economic development and job creation in rural States. Indeed, we have spoken to the GAO and the Department of Transportation, and they are not aware of a single study

that has taken the kind of comprehensive approach I am proposing. Moreover, one GAO official told my staff he thought such a study was long overdue. We need to know more about how airline deregulation has affected smaller and medium-sized communities such as Presque Isle, ME, and Bangor, ME. We need to focus on the relationship between access to affordable, quality airline service and the economic development of America's smaller towns and cities.

During the past 20 years, air travel has become increasingly linked to business development. Successful businesses expect and need their personnel to travel quickly over long distances. It is expected that a region being considered for business location or expansion should be reachable conveniently, quickly, and easily via jet service. Those areas without air access or with access that is restricted by prohibitive travel costs, infrequent flights, or small, slow planes appear to be at a distinct disadvantage compared to those communities that enjoy accessible, convenient, and economic air service.

This country's air infrastructure has grown to the point where it now rivals our ground transportation infrastructure in its importance to the economic vibrancy and vitality of our communities. It has long been accepted that building a highway creates an almost instant corridor of economic activity for businesses eager to cut shipping and transportation costs by locating close to the stream of commerce.

Like a community located on an interstate versus one that is reachable only by back roads, a community with a midsize or small airport underserved by air carriers appears to be operating at a disadvantage to one located near a large airport. What this proposal would do is allow us to take a close look at the relationship between quality air service and the communities it serves.

Bob Ziegelaar, director of the Bangor International Airport, perhaps put it best. He tells me: Communities such as Bangor are at risk of being left behind with service levels below what the market warrants, both in terms of capacity and quality. The follow-on consequences are a decreasing capacity to attract economic growth.

He sums it up well. A region's ability to attract and keep good jobs is inextricably linked to its transportation system. Twenty-one years after Congress deregulated the airline industry, it is important that we now look and assess the long-term impacts of our actions. The commission established by my amendment will ensure that Congress, small communities, and the airlines are able to make future decisions on airline issues fully aware of the concerns and the needs of smalltown America.

Mr. President, I thank the chairman of the committee and the ranking minority members of both the subcommittee and the full committee for their assistance in shaping this amendment. I look forward to working with them. I know they share my concerns about providing quality, accessible air service to all parts of America. I thank them for their cooperation in this effort and yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, obviously, this Senator from West Virginia is already a cosponsor of the amendment. There are very few people who would know the situation in this amendment as well as the Senator from Maine. Her State, as many rural States, has had a major reaction to deregulation. Economic development is always the first thing on the minds of States that are trying to grow and attract their population back. This is simply asking for a commission to study the effects of deregulation on economic development. I think it is very sensible. I think it highlights a real agony for a lot of States. It is highly acceptable on this side.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I also thank the Senator from Maine. I do understand there have been some very negative impacts on Bangor and other parts of the State of Maine associated with airline deregulation. It needs to be studied. We need to find out how we can do a better job, as I said in my earlier remarks, allowing smaller and medium-sized markets to receive the air service they deserve which has such a dramatic impact on their economies.

I thank the Senator from Maine for her amendment. Both sides are prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1907.

The amendment (No. 1907) was agreed to.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

Mr. COLLINS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the pending amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NOS. 1948 AND 1949, EN BLOC

Mr. MCCAIN. Mr. President, I send two amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes amendments numbered 1948 and 1949, en bloc.

The amendments are as follows:

AMENDMENT NO. 1948

(Purpose: To prohibit discrimination in the use of Private Airports)

At the appropriate place insert the following:

SEC. . NONDISCRIMINATION IN THE USE OF PRIVATE AIRPORTS.

(a) PROHIBITING DISCRIMINATION IN THE USE OF PRIVATE AIRPORTS.—Chapter 401 of Subtitle VII of title 49, United States Code, is amended by inserting the following new section after section 40122:

"§ 40123. Nondiscrimination in the Use of Private Airports

''(a) IN GENERAL.—Notwithstanding any other provision of law, no state, county, city or municipal government may prohibit the use or full enjoyment of a private airport within its jurisdiction by any person on the basis of that person's race, creed, color, national origin, sex, or ancestry.

AMENDMENT NO. 1949

(Purpose: To amend section 49106(c)(6) of title 49, United States Code, to remove a limitation on certain funding)

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Metropolitan Airports Authority Improvement Act''.

SEC. 2. REMOVAL OF LIMITATION.

Section 49106(c)(6) of title 49, United States Code, is amended—

(1) by striking subparagraph (C); and

(2) by redesignating subparagraph (D) as subparagraph (C).

Mr. MCCAIN. Mr. President, these two amendments, along with amendment No. 1893, which was previously offered, have been accepted on both sides. There is no further debate on the amendments, and I ask for their adoption.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 1948, 1949, and 1893) were agreed to.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

Mr. ROCKEFELLER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, it is my understanding that there is now some 304 amendments that are germane that have been filed by the Senator from Illinois. Obviously, that is his right under the rules of the Senate.

I would like for the Senator from Illinois to understand what he is doing. This is a very important piece of legislation. It has a lot to do with safety. The Senator from Illinois should know that. He is jeopardizing, literally, the safety of airline passengers across this country, perhaps throughout the world.

I will relate to the Senator what he is doing. Before I do, I think he should know there are strong objections by the Senators from Virginia, the Senators from New York, and the Senators from Maryland, concerning this whole issue of slots and the perimeter rule—but particularly slots. We have been able to work with the Senators from these other States that are equally affected. It is very unfortunate that the

Senator from Illinois cannot sit down and work out something that would be agreeable.

I want to tell the Senator from Illinois, again, this is very serious business we are talking about. We are talking about aviation safety. This is the reauthorization of the Aviation Improvement Program. It requires fixed-wing aircraft in air commerce to be equipped with emergency locator transmitters; it provides broader authority to the FAA to determine what circumstances warrant a criminal history record check for persons performing security screening of passengers and cargo; it extends the authorization for the Aviation Insurance Program, also known as war risk insurance, through 2003; it requires all large cargo aircraft to be equipped with collision avoidance equipment by the end of 2002; it gives FAA the authority to fine unruly airline passengers who interfere with the operation or safety of a civil flight, up to $10,000 per violation; it authorizes $450,000 to address the problem of bird ingestions into aircraft engines; it authorizes $9.1 million over 3 years for a safety and security management program to provide training for aviation safety personnel.

Mr. President, I have three pages. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Safety-related Provisions in S. 82, Air Transportation Improvement Act

Extends the contract authority through fiscal year 2000 for Airport Improvement Programs (AID) grants. Federal airport grants lapsed on August 6, 1999, because the contract authority had not been extended. Authorizes a $2.475 billion AID program in fiscal year 2000. (Sec. 103)

Provides explicit AIP funding eligibility for the installation of integrated in-pavement lighting systems, and other runway incursion prevention devices. (Sec. 205)

Requires nearly all fixed-wing aircraft in air commerce, to be equipped with emergency locator transmitters by 2002. (Sec. 404)

Provides broader authority to the FAA to determine what circumstances warrant a criminal history record check for persons performing security screening of passengers and cargo. (Sec. 306)

Extends the authorization for the aviation insurance programs (also known as war risk insurance) through 2003. The program provides insurance for commercial aircraft that are operating in high risk areas, such as countries at war or on the verge of war. Commercial insurers usually will not provide coverage for such operations, which are often required to advance U.S. foreign policy or the country's national security policy. The program expired on August 6, 1999, and cannot be extended without this authorization in place. (Sec. 307)

Requires all large cargo aircraft to be equipped with collision avoidance equipment by the end of 2002. (Sec. 402)

Gives the FAA the authority to fine unruly airline passengers who interfere with the operation or safety of a civil flight, up to $10,000 per violation. (Sec. 406)

Authorizes $450,000 to address the problem of bird ingestions into aircraft engines. (Sec. 101)

Authorizes $9.1 million over three years for a safety and security management program to provide training for aviation safety personnel. The program would concentrate on personnel from countries that are not in compliance with international safety standards. (Sec. 101)

Authorizes at least $30 million annually for the FAA to purchase precision instrument landing systems (ILS) through its ILS inventory program. (Sec. 102)

Authorizes at least $5 million for the FAA to carry out at least one project to test and evaluate innovative airport security systems and related technologies, including explosive detection systems in an airport environment (Sec. 105)

Requires the FAA to maintain human weather observers to augment the services provided by the Automated Surface Observation System (ASOS) weather stations, at least until the FAA certifies that the automated systems provide consistent reporting of changing meteorological conditions. (Sec. 106)

Allows the FAA to continue and expand its successful program of establishing consortia of government and aviation industry representatives at individual airports to provide advice on aviation security and safety. (Sec. 303)

Requires the imprisonment (up to three years) or imposition of a fine upon any individual who knowingly serves as an airman without an airman's certificate from the FAA. The same penalties would apply to anyone who employs an individual as an airman who does not have the applicable airman's certificate. The maximum term of imprisonment increases to five years if the violation is related to the transportation of a controlled substance. (Sec. 309)

Requires the FAA to consider the need for (1) improving runway safety areas, which are essentially runway extensions that provide a landing cushion beyond the ends of runways at certificated airports; (2) requiring the installation of precision approach path indicators (PAPI), which are visual vertical guidance landing systems for runways. (Sec. 403)

Prohibits any company or employee that is convicted of installing, producing, repairing or selling counterfeit aviation parts from keeping or obtaining an FAA certificate. Air carriers, repair stations, manufacturers, and any other FAA certificate holders would be prohibited from employing anyone convicted of an offense involving counterfeit parts. (Sec. 405)

Requires the FAA to accelerate a rulemaking on Flight Operations Quality Assurance (FOQA). FOQA is a program under which airlines and their crews share operational information, including data captured by flight data recorders. Sanitized information about crew errors is shared, to focus on situations in which hardware, air traffic control procedures, or company practices create hazardous situations. (Sec. 409)

Requires the FAA to study and promote improved training in the human factors arena, including the development of specific training curricula. (Sec. 413)

Provides FAA whistleblowers who uncover safety risks with the ability to seek redress if they are subject to retaliation for their actions. (Sec. 415)

Provides employees of airlines, and employees of airline contractors and subcontractors, with statutory whistleblower protections to facilitate their providing air safety information. (Sec. 419)

Mr. MCCAIN. Mr. President, I won't go through them all. This is a very important bill. In this very contentious and difficult time concerning balanced budgets and funding for other institutions of Government, this authorization bill has been brought up by the majority leader, not by me. I hope it is fully recognized. I repeat, the Senators from Virginia, Senator WARNER and Senator ROBB, Senator MIKULSKI, Senator SARBANES, Senator DURBIN, and Senator FITZGERALD's predecessor, all worked together on this issue. We need to work this out and we need to have this authorization complete. I hope we can get that done as soon as possible.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

PRIVILEGE OF THE FLOOR

Mr. FITZGERALD. Mr. President, I ask unanimous consent that John Fisher of the Congressional Research Service be granted the privilege of the floor during the Senate's consideration of S. 82.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FITZGERALD. Mr. President, in response to the distinguished Senator from Arizona, I would be delighted to work with him as best I can. I am sorry we have missed each other in recent days. Obviously, he has dual responsibilities now as a candidate for President of the United States. I would certainly like to continue negotiations with him. I do believe——

Mr. MCCAIN. If the Senator will yield, he knows full well that for the last several months—in fact, ever since he came to this body—the Senator and I have been discussing this issue. It has nothing to do with any Presidential campaign or anything else. The Senator should know that and correct the record.

Mr. FITZGERALD. Well, I understand the last time we talked, I thought the Senator was working to address my concerns. In fact, I didn't realize he supported lifting the high density rule altogether. I guess that is what has taken me by surprise. Senator Moseley-Braun, my predecessor, and Senator DURBIN urged your support to limit the increased exceptions for slot restrictions at O'Hare from 100 down to 30. You had supported that in your original bill which had that 30 figure. You and I had been having discussions with respect to that.

This year, the amendment by Senator GORTON and Senator ROCKEFELLER is what has given me pause because, obviously, that would be going in a different direction than the limitations that were worked out with you, Senator DURBIN, and former Senator Moseley-Braun last year in what was reflected as the original version of S. 82.

Mr. MCCAIN. If the Senator will yield, the fact is, the Senator has been

involved in discussions in the Cloakroom, on the floor, in my office, and other places on this issue. If we don't agree, that is one thing, but to say somehow that my attention has been diverted is an inaccurate depiction of the situation.

Mr. FITZGERALD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, since we are on the FAA bill this morning, I will take a few minutes to discuss the issue of airline passenger rights.

In the face of a wave of consumer complaints which are running at twice the number this time last year, the airline industry has proposed a Customer First program. I will take a few minutes this morning to ensure the Senate understands what this program is all about. After the industry released its voluntary proposal, I asked the General Accounting Office and the Congressional Search Service to analyze what the industry had actually proposed. In summary, these two reports—the one done by the General Accounting Office and the one done by the Congressional Research Service—demonstrates, unfortunately, when it comes to the industry's plan to protect passenger rights, there is no ''There there.''

These two reports found the airline industry's proposal puts passenger rights into three categories: first, rights that passengers already have, as in the rights of the disabled; second, rights that have no teeth in them because they are not written into the contracts of carriage between the passenger and the airline; third, rights that are ignored altogether, such as the right to full information on overbooking and ensuring that passengers can find out about the lowest possible fare.

Specifically, I asked the General Accounting Office to compare the voluntary pledges made by the airline industry to the hidden but actually binding contractual rights airline passengers have that are written into something known as a contract of carriage. The Congressional Research Service pointed out:

. . . front line airline staff seem uncertain as to what contracts of carriage are.

The Congressional Research Service found that:

. . . even if the consumer knows they have a right to the information, they must accurately identify the relevant provisions of the contract of carriage or take home the address or phone number, if available, of the airline's consumer affairs department, send for it and wait for the contract of carriage to arrive in the mail.

As the Congressional Research Service states with their unusual tact and diplomacy:

. . . the airlines do not appear to go out of their way to provide easy access to contract of carriage information.

I want the Senate to know the current status of passenger rights so we can begin to strengthen the hand of passengers at a time when we have a record number of consumer complaints.

Two weeks ago, the Senate began the task of trying to empower the passengers with the Transportation appropriations bill. In that legislation, we directed the Department of Transportation inspector general to investigate unfair and deceptive practices in the airline industry. The Department of Transportation inspector general does not currently conduct these investigations so we added the mandatory binding consumer protection language in the Transportation appropriations bill to ensure the Transportation inspector general would have exactly the same authority to investigate these consumer protection issues that I proposed in the airline passenger bill of rights early this session.

On this FAA bill, I am proposing another step to help passengers. The purpose of the amendment I offer is to make sure customers can find out whether the airlines are actually living up to their voluntary commitments by beginning to write them into the contracts of carriage—the binding agreement between the passenger and the airline.

This is what the law division of the Congressional Research Service had to say on that point:

It would appear that the voluntary aviation industry standards would probably not have the same level of contractual enforceability that the provisions of the ''contract of carriage'' has. Under basic American contract law, the airlines offer certain terms and service under these ''contracts of carriage'' and the consumer accepts this offer and relies on the terms of the contract when he or she buys a ticket. The voluntary industry standards are not the basis of the contract and may lack the enforceability that the conditions of the ''contract of carriage'' may possess.

What especially troubles me is that the airlines are clearly dragging their feet on actually writing these consumer protection provisions in any kind of meaningful fashion.

In fact, one of the proposals I saw from American Airlines stipulates specifically that their pledges to the consumer are not enforceable, that they are not going to be in the contracts of carriers.

Under my amendment on this FAA bill, the Department of Transportation inspector general is going to investigate whether an airline means what it says, whether it is actually moving to put these various nice-sounding, voluntary proposals into meaningful language. I am very hopeful that as a result of this amendment, we are going to know the truth about actually what kind of consumer protection proposals are in the airline industry's package.

This amendment has been shared with the ranking minority member of the committee and the ranking minority member of the subcommittee, and I have talked about it with the chairman of the full committee, Senator MCCAIN. Also, it has been shared with the chairman of the subcommittee.

There are many things in this good bill with which I agree. I am especially pleased, with Senator ROCKEFELLER, Senator MCCAIN, and Senator GORTON, we are taking steps to improve competition. I am very pleased, for example, we are doing more for small and medium-size markets. These are very sensible proposals.

My concern is that together and on a bipartisan basis, we need to persuade the airline industry to put just a small fraction of the ingenuity and expertise they have that has produced one of the world's truly extraordinary safety records—the airline industry's safety record is extraordinary, and I simply want to see them put the ingenuity and expertise they have into trying to ensure that passengers get a fair shake as well.

It is not right at a time like this, particularly when many of the airlines are making such significant profits, to leave airline service for the passengers out on the runway. The figures are indisputable. There are a record number of complaints. I hear constantly from business travelers about the unbelievable problems they have with failure to disclose, for example, overbooking. Many consumers have had problems trying to find out about the lowest fare.

With the binding consumer protection language that was adopted in the Transportation appropriations bill so there will be an investigation into the problems I outlined in the airline passenger bill of rights, we have made a start. Today we will have a chance to build on that by making sure these voluntary pledges begin to show up in the contracts of carriage that actually protect the consumer.

I express my thanks to Chairman MCCAIN and Senators ROCKEFELLER and GORTON for working with me on these matters and particularly to make sure the Senate knows that in many areas, the areas that promote competition and address the needs of small and medium-size airports—this is an important bill. We can strengthen it with this consumer protection amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank the Senator from Oregon for his steadfast advocacy for airline passengers and a range of other issues. I believe he has done this Nation a great service by attempting to see that airline passengers have certain fundamental benefits that most Americans assume they already had before certain information became known to them and to the Senate. I thank him very much. It appears to be a very good amendment.

It has not been cleared yet by Senator ROCKEFELLER. They still have some people with whom they have to talk. I have every confidence we will accept the amendment. I ask that the Senator from Oregon withhold his amendment at this time until we are ready to accept it.

Mr. WYDEN. Mr. President, I am happy to do that and anxious to work with the chairman and Senator ROCKEFELLER. I will be glad to do that.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I say to my friend from Oregon, there is no plot or underlying purpose not to accept the amendment at this point, but there may be others who have amendments that relate to this area. Let's see what we have. From this Senator's point of view, the Senator from Oregon has made a useful amendment and, at the appropriate time, should there not be any problems that arise—I do not anticipate them—I will have no problem.

AMENDMENT NO. 2070 TO AMENDMENT NO. 1892, AMENDMENT NO. 1920, AS MODIFIED, AND AMENDMENT NO. 2071, EN BLOC

Mr. MCCAIN. Mr. President, I send three amendments to the desk, one by Senator HELMS, which is a second-degree amendment to the Gorton amendment No. 1892, an amendment by Senator BOXER, and an amendment by Senator INHOFE. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2070 TO AMENDMENT NO. 1892

In the pending amendment on page 13, line 9 strike the words ''of such carriers''.

AMENDMENT NO. 1920, AS MODIFIED

Insert on page 126, line 16, a new subsection (f) and renumber accordingly:

''(f) TECHNICAL ASSISTANCE.—

(1) IN GENERAL.—Participants carrying out inherently low-emission vehicle activities under this pilot program may use no less than 10 percent of the amounts made available for expenditure at the airport under the pilot program to receive technical assistance in carrying out such activities.

(2) ELIGIBLE CONSORTIUM.—To the maximum extent practicable, participants in the pilot program shall use eligible consortium (as defined in section 5506 of this title) in the region of the airport to receive technical assistance described in paragraph (1).

(3) PLANNING ASSISTANCE.—The Administrator may provide $500,000 from funds made available under section 48103 to a multistate, western regional technology consortium for the purposes of developing for dissemination prior to the commencement of the pilot program a comprehensive best practices planning guide that addresses appropriate technologies, environmental and economic impacts, and the role of planning and mitigation strategies.

AMENDMENT NO. 2071

On page 132, line 4, strike ''is authorized to'' and insert ''shall''.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (Nos. 2070, 1920, as modified, and 2071) were agreed to.

Mr. MCCAIN. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FITZGERALD. Mr. President, I wish to take a few moments now during this lull in activity on the floor to speak to my concerns about lifting the high density rule that governs O'Hare International Airport in my State.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

AMENDMENT NO. 1892

Mr. FITZGERALD. Mr. President, I think the first thing we need to do, in considering the Gorton-Rockefeller amendment to lift altogether the high density rule that governs O'Hare International Airport, is to look at what that high density rule is and why it was first imposed.

The high density rule was imposed not by Congress, although Congress is attempting to repeal it; the high density rule was imposed by the Federal Aviation Administration back in 1968 or 1969. The reason they imposed it at O'Hare was because by then—already the world's busiest airport—demand for flight operations exceeded capacity at O'Hare. Given that situation, in order to prevent inordinate delays to the air traffic system at O'Hare and around the country, they capped the number of operations per hour at O'Hare. They capped those operations at 155 flights per hour—roughly 1 every 20 seconds.

The sponsors of this amendment, and others who are proponents of it, have said: We need to lift that high density rule because it is anticompetitive, and we have to get more competition for more slots and more flights at O'Hare. They point out that just two carriers—United Airlines and American Airlines—control 80 percent of the flight operations at O'Hare International Airport, and there are studies that show that given that duopoly, the prices are higher at O'Hare. And that is true. There is absolutely no question about it.

The idea of increasing competition is great in the abstract. There is only one problem. O'Hare Airport does not have the capacity for more flights.

How do we know that? We know that because the last time Congress considered lifting the high density rule in 1994, the FAA commissioned a study and asked: What would happen if we were to lift the high density rule at O'Hare International Airport? The study, commissioned by the FAA, came back and said if you did that, there would be huge delays at O'Hare International Airport that would reverberate throughout the entire air travel system in the United States of America.

Consequently, following that report, in the summer of 1995, the U.S. Department of Transportation said they would not lift the high density rule at O'Hare because it would add to delays. The reason it would add to delays was because it would put more planes there waiting to take off or land, and that demand for more flights vastly outstripped the capacity at O'Hare.

So the problem with lifting that high density rule is that unless there is more capacity in Chicago, planes are just going to sit on the runway at O'Hare until they can take off.

What is the situation now? We have not lifted the high density rule now. Are there delays at O'Hare? You bet. There are more delays at O'Hare than just about any other major airport in the entire country, with as many as 100 airplanes lined up every morning waiting to take off from the runway.

This proposal is a proposal that would give airlines an unfettered ability to schedule even more flights. Sometimes they schedule 20 flights to take off at the same time. The marketing experts have told the airlines that 8:45 a.m. is a popular time, so schedule your plane to take off at 8:45 a.m. The airlines know darn well only one plane can take off at 8:45 a.m., but as many as 20 of them will be scheduled to take off at that time. What does that mean? That means when you are trying to take off on an 8:45 a.m. flight out of O'Hare, most likely you are going to be sitting on the tarmac waiting to take off.

At least the high density rule is some limitation because it is a limitation on how many airline flights can be scheduled to take off within that 8 o'clock hour. But by lifting this rule, we are saying there is not going to be any limitation. Perhaps the airlines could schedule 100 or 200 or 300 flights to take off in that 8 o'clock hour. People will buy tickets; they think they are going to be able to take off sometime in that hour. They do not realize that is just a bait and switch; that the airlines know full well the passengers are going to have to be sitting on the tarmac waiting to take off.

Does it make sense, at the most congested, most delay-ridden airport, to add even more delays? It makes no sense at all.

I know Senator MCCAIN well. I do believe he is very concerned about competition in the airline industry, and he, in good faith, wants to increase competition in the airline industry. I agree with him wholeheartedly on that point. But I do not agree we want to do it in a way that is going to inconvenience everybody who flies out of O'Hare, and not just everybody who flies out of

O'Hare but people all around the country who will suffer because of backlogs and delays at O'Hare International Airport, which is in the center of our country.

Furthermore, there is a provision in this bill—neatly tucked in there—that probably not many people can figure out what it means. Let me read it to you. As I said earlier, United and American have 80 percent of the flights at O'Hare. So if we were to add slots or more flights at O'Hare, you would think we would want to encourage some new entrants into the market, some other companies. That would bring some more competition, bringing some other airlines into O'Hare.

There is a little provision in here. I wonder who thought of this. Did some Senator think of this?

This is on page 4 of the amendment: ''Affiliated Carriers: . . . the Secretary shall treat all commuter air carriers that have cooperative agreements, including code-share agreements with other air carriers equally for determining eligibility for the application of any provision of these sections regardless of the form of the corporate relationship between the commuter air carrier and the other air carrier.''

I bet many people wonder what that means. What that means is that American Airlines' wholly-owned subsidiary, American Eagle, and United Airlines' affiliate, United Express, can be treated equally with new commuter airlines that are trying to get in and get slots out of O'Hare.

This provision in the bill seems to undercut, in my judgment, the argument that this bill would increase competition. In my judgment, competition isn't going to be increased by increasing concentration. The FAA bill before us today will not increase competition due to its definition of the term ''affiliated carrier.'' As the term ''affiliated carrier'' is defined, those carriers that already control the vast majority of capacity at the airport, United and American, will get eligibility for additional capacity and slots.

In addition, many carriers that would benefit from this bill are wholly-owned subsidiaries of the controlling carriers. Later, I hope we can have a discussion on that particular aspect of the bill.

Let me talk a little bit more in depth about the delays we already have at O'Hare, without this idea of increasing the number of flights we are going to have, regardless of the fact that we don't have more capacity for more flights.

This was an article just the other day, September 10, 1999: ''Delays at O'Hare Mounting. For the first 8 months of this year, flight delays at O'Hare soared by 65 percent compared to all of 1997 and by 18 percent over 1998, according to an analysis by the Federal Aviation Administration.''

Why are those delays occurring? In part because in the existing law we already have exemptions from the slot controls put in by the FAA back in 1969. Those slot controls limited the number of flights to 155 operations per hour. By virtue of the 1994 bill we passed in this Congress, before I was here, they allowed more exemptions to those slot rules, and the FAA has been granting those. In fact, I am told the FAA now has about 163 flights an hour at O'Hare. This bill would lift those caps entirely.

This is from August 23, 1999. I said O'Hare is one of the most delay-ridden, congested airports in the country. This article talks about it: O'Hare has one of the worst on-time arrival and departure records of any major airport in the Nation, according to U.S. Department of Transportation data analyzed by the Chicago Sun-Times. For the first 6 months of 1999, O'Hare ranked at the bottom or second to last in percentage of on-time arrivals and departures at the 29 biggest U.S. airports, performing worse than the Boston and Newark airports, the other chronic laggards.

This goes back to the idea that airlines set their own schedules. There are slot controls that limit the number of flights in an hour at O'Hare. You can get from the FAA a slot to take off in a particular hour. You can get a slot, for example, to take off at the 8 a.m. hour. It is up to the airline, then, to schedule when that plane will take off.

It turns out, as the Sun-Times investigative report found, that many of the airlines schedule them all at the same time. At times there have been as many as 80 planes scheduled to take off, all at the same time. Obviously, they can't do that. What that means is that passengers sit on the runway and wait.

Have you ever been in an airplane, sitting on the tarmac with that stuffy air, waiting for the plane to take off? The airlines always blame it on the weather or they blame it on the FAA. They blame it on somebody else. They never blame it on themselves for scheduling all the flights to take off at the same time, which we know as a matter of physics is impossible.

This October 3 article, just this Sunday, was the front-page headline article in the Chicago Sun-Times:

AIRLINES CRAMMING DEPARTURE TIME SLOTS

Airlines at O'Hare Airport schedule so many flights in and out during peak periods that it is impossible to avoid delays, a Chicago Sun-Times analysis shows.

O'Hare can handle about 3 takeoffs a minute at most, [that is one every 20 seconds] but air carriers slate as many as 20 at certain times, slots they believe will draw the most passengers. And they've continued to add flights to crowded time slots, even though delays have been increasing since 1997.

At least today, even as we have these horrible delays, there is some limitation as to how far the airlines can go with this bait-and-switch tactic with consumers. There is some check. That is the check on the absolute maximum number of slots that can be given for takeoffs and landings at O'Hare in a given hour. This bill removes that check. There will be no check then on airlines scheduling departures and arrivals all at the same time, when it is impossible for them all to land or take off at that time. In fact, you could have 200, 300, 400 flights all scheduled to take off at the same time. We are removing any of those caps.

I mentioned that in 1995, the FAA ordered a study of what would happen if we lifted the high density rule. Again, the 1995 DOT study shows that lifting the high density rule more than doubles delay times at O'Hare. That is why they didn't do it. According to this report, a Department of Transportation May 1995 Report to Congress, a study of the high density rule, lifting the rule at O'Hare, ORD, is estimated to increase the average time average annual all-weather delay by nearly 12 minutes, from 11.8 to 23.7 minutes per operation, and besides, that average annual delay is much higher now than it was back in 1995, assuming no flight cancellations occur due to instrument flight rules, weather. This is beyond the average of 15 minutes, the original basis for imposing HDR.

There are many studies that show the problem. This is why the caps were put on at O'Hare. They wanted to stop delays. The studies have all shown that adding just one more slot beyond the capacity of an airport causes an exponential, compounding increase on the delays. In fact, this is a chart that the Federal Aviation Administration prepared on airfield and airspace capacity and delay policy analysis. Once you go beyond the practical capacity of an airport—and for O'Hare, the FAA has said it is 158 flights per hour—the delays skyrocket. In my judgment, if we are saying now we are not going to have any checks on the demand at O'Hare and there is no added capacity, we are going to go right up into this range very fast.

I said yesterday, Mayor Daley from Chicago was supposed to be in Washington last week for an event. We were going to have a taste and touch of Chicago in Washington. There was a huge celebration. There were about 500 people at this reception. We were all there waiting for Mayor Daley. Everybody was asking: Where is Mayor Daley? It turns out Mayor Daley was delayed at O'Hare Airport. In fact, poor Mayor Daley had to sit on the tarmac for 4 hours at O'Hare. He arrived in Washington at 8:30 at night, after the reception was over, and he got the next plane back to Chicago.

That is typical of the kind of delays people incur going through O'Hare. This bill would add to that. I think it

is a mistake to do that. It ignores the original reason we had for the high density rule. Furthermore, I think it is unusual for Congress to put on the mantle of safety and aviation experts and decide that we are going to rewrite FAA rules. We ought to take that out of the political process, have the FAA write its own rules, not us rejiggle them from the statutes.

With that, I am not going to mention at this time what I believe will be the extreme safety hazards by trying to cram more flights into less time and space at O'Hare. A flight lands and takes off every 20 seconds at O'Hare. If we are going to cram more in and narrow the distance, maybe it will come down to every 10 or 15 seconds. There is not much room for error. If you are sitting in a plane and you think there is a plane tailgating you, there is a lot of pressure. All these takeoffs and landings will not give air passengers a great deal of comfort.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ENZI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WYDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WYDEN. Mr. President, I ask unanimous consent to address the Senate for a few minutes. I see Chairman MCCAIN, and I wanted to engage him in a brief discussion on a matter involving the Death on the High Seas Act. I have offered several amendments with respect to this issue, but I don't intend to offer them this morning because this bill has several hundred amendments.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WYDEN. Mr. President, I think it is extraordinarily important that the Senate take steps promptly to remedy some of the loopholes in the antiquated Death on the High Seas Act. I have had constituents bring to my attention a tragedy that is almost unique in my years of working in the consumer protection field.

Mr. John Sleavin, one of my constituents, testified before the Commerce Committee that he lost his brother, Mike, his nephew, Ben, and his niece, Annie, under absolutely grotesque circumstances. The family's pleasure boat was run over by a Korean freighter in international waters. The only survivor was the mother, Judith Sleavin, who suffered permanent injuries. The accident was truly extraordinary because, after the collision, there was absolutely no attempt by the Korean vessel to rescue the family or even to notify authorities about the collision. Mr. Sleavin's brother and his niece perished after 8 hours in the water following the collision. It was clear to me that there was an opportunity to have rescued this family. Yet there was no remedy.

We have had very compelling testimony on this problem in the Senate Commerce Committee. The chairman has indicated a willingness to work with me on this. We have a Coast Guard bill coming up, and because this is an important consumer protection issue and a contentious one, I don't want to do anything to take a big block of additional time.

I will yield at this time for a colloquy with the chairman in the hopes that we can finally get this worked out so we don't have Americans subject to the kind of tragic circumstances we saw in this case, where a family was literally mowed down in international waters by a Korean freighter and should have been rescued and, tragically, loved ones were lost. I feel very strongly about this.

I yield now to the chairman of the full committee to hear his thoughts on our ability to get this loophole-ridden Death on the High Seas Act changed, and particularly doing it on the Coast Guard bill that will be coming up.

Mr. MCCAIN. Mr. President, I thank my friend from Oregon. I know he has been heavily involved in this issue for a long time. We will have the Coast Guard bill scheduled for markup. At that time, I hope the Senator from Oregon will be able to propose an amendment addressing this issue. But I also remind my friend that there may be objection within the committee as well. I know he fully appreciates that. There is at least one other Senator who doesn't agree with this remedy. But I think we should bring up this issue and it should be debated and voted on. I think certainly the Senator from Oregon has the argument on his side in this issue.

Mr. WYDEN. I thank the chairman. I am going to be very brief in wrapping this up. I think our colleagues know that I am not one who goes looking for frivolous litigation. The chairman of the committee and all our colleagues on the Commerce Committee know that I spent a lot of time on the Y2K liability legislation this year so we could resolve these problems without a whole spree of frivolous litigation.

But we do know that there are areas, particularly ones where injured consumers in international waters have no remedy at all, when they are subject to some of the most grizzly and unfortunate accidents, where there is a role for legislation and a need for a remedy.

I am very appreciative that the chairman has indicated he thinks it is appropriate that we devise a remedy. I intend to work very closely with our colleagues on the Commerce Committee. I know the chairman of the subcommittee, Senator GORTON, has strong views on this. I am willing to look anew with respect to what that remedy ought to be so we can pass a bipartisan bill. But I do think we have to devise a remedy because to have innocent Americans run down in international waters without any remedy can't be acceptable to the American people.

With that, I ask unanimous consent to withdraw all four of the amendments I have had filed on this bill with respect to the Death on the High Seas Act.

The PRESIDING OFFICER. The Senator has that right. The amendments are withdrawn.

Mr. MCCAIN. Mr. President, I thank the Senator from Oregon. I look forward to working with him on this very important issue.

I suggest the absence of a quorum.

Mr. BURNS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, I will comment on an amendment we introduced last night and ask for the support of my colleagues. Before I do that, I want to recognize the chairman of the full committee, the Commerce Committee, and my colleagues on the subcommittee. There are many important provisions in this bill. Most importantly, I think it reauthorizes the funding mechanism for airport construction which has been going on around the country. I hardly find a place where there are not improvements being done to the infrastructure for air traffic.

The legislation allows a limited number of exemptions to the current perimeter rule at the Ronald Reagan National Airport. Creating these exemptions takes a step in the right direction to provide balance between Americans within the perimeter and outside the perimeter. The current perimeter rule is outdated and restrictive to creating competition.

We have the best and the most efficient modes of transportation in the entire world. No other country can make such a boast. With the exception, of course, of rail transportation and passengers, we have very competitive alternatives. Now is the time to further enhance our competitive aviation and rail alternatives, although some who live at the end of the lines sometimes question if we have competition in the right places.

These limited exemptions to the perimeter rule will improve service to the nation's capital for dozens of western cities beyond the perimeter—while at the same time ensuring that cities inside the perimeter are not adversely impacted by new service. This is a fair balance which is consistent with the overall intent of the bill to improve air service to small and medium-sized cities.

As a result, I believe our committee has crafted a limited compromise which protects the local community from uncontrolled growth, ensures that service inside the perimeter will not be affected and creates a process which will improve access to Ronald Reagan National Airport for small and medium-sized communities outside the current perimeter. Montana's communities will benefit from these limited exemptions through improved access to the nation's capitol.

Throughout this bill, our goal has been to improve air service for communities which have not experienced the benefits of deregulation to the extent of larger markets. The provision related to improved access to Reagan National is no different.

Today, passengers from many communities in Montana are forced to double or even triple connect to fly to Washington National. My goal is to ensure that not just large city point-to-point service will benefit, but that passengers from all points west of the perimeter will have better options to reach Washington and Ronald Reagan National Airport.

This provision is about using this restricted exemption process to spread improved access throughout the West—not to limit the benefits to a few large cities which already have a variety of options.

Let me be clear, if the Secretary receives more applications for more slots than the bill allows, DOT must prioritize the applications based on quantifying the domestic network benefits. Therefore, DOT must consider and award these limited opportunities to western hubs which connect the largest number of cities to the national transportation network.

I request the support of my colleagues on a very important amendment I along with my colleague from Missouri have introduced to this bill. That amendment was added last night. This amendment will establish a commission to study the future of the travel agent industry and determine the consumer impact of airline interaction with travel agents.

Since the Airline Deregulation Act of 1978 was enacted, major airlines have controlled pricing and distribution policies of our nation's domestic air transportation system. Over the past four years, the airlines have reduced airline commissions to travel agents in a competitive effort to reduce costs.

I am concerned the impact of today's business interaction between airlines and travel agents may be a driving force that will force many travel agents out of business. Combined with the competitive emergence of Internet services, these practices may be harming an industry that employs over 250,000 people in this country.

This amendment will explore these concerns through the establishment of a commission to objectively review the emerging trends in the airline ticket distribution system. Among airline consumers there is a growing concern that airlines may be using their market power to limit how airline tickets are distributed and sold.

Mr. President, if we lose our travel agents, we lose a competitive component to affordable air fare. Travel agents provide a much needed service and without them, the consumer is the loser.

The current use of independent travel agencies as the predominate method to distribute tickets ensures an efficient and unbiased source of information for air travel. Before deregulation, travel agents handled only about 40 percent of the airline ticket distribution system. Since deregulation, the complexity of the ticket pricing system created the need for travel agents resulting in travel agents handling nearly 90 percent of transactions.

Therefore, the travel agent system has proven to be a key factor to the success of airline deregulation. I'm afraid, however, that the demise of the independent travel agent would be a factor of deregulation's failure if the major airlines succeed in dominating the ticket distribution system.

Tavel agents and other independent distributors comprise a considerable portion of the small business sector in the United States. There are 33,000 travel agencies employing over 250,000 people. Women or minorities own over 50 percent of travel agencies.

Since 1995, commissions have been reduced by 30%, 14% for domestic travel alone in 1998. since 1995, travel agent commissions have been reduced from an average of 10.8 to 6.9 percent in 1998. Travel agencies are failing in record numbers.

I think it is important we study the issue, get an unbiased commission together, and give a report to Congress. We will see how important the role played by the ticket agents and the travel agencies is in contributing to the competitive nature of travel in this country.

I ask my colleagues to support this important amendment. We are dealing with a subject that needs to be dealt with; this bill needs to be passed. We are in support of it.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FITZGERALD. Mr. President, I would like to take advantage of this opportunity to finish one final point to the speech I had given a few moments ago wherein I mentioned the likely delays that would be caused at Chicago O'Hare, and that is the increase in delays that would be caused in Chicago O'Hare and throughout our Nation's entire air traffic system if the high density rule were to be repealed. But right now I mention one other item which is probably the most important matter this Senate confronts in passing statutes to govern our aviation system, and that is the issue of safety.

I alluded earlier to the fact that O'Hare is the world's biggest airport and that there is a takeoff and landing every 20 seconds at O'Hare. Any sixth grader can figure out if we are going to try to run more flights per hour and more flights per minute through O'Hare, we are going to have to bring them in and take them off in less time than 20 seconds. Either that or we will continue mounting delays.

Most likely, we will continue mounting delays. But it is possible the increased congestion and delays would cause the air carriers to be pressuring the FAA to let the planes take off and would be pressuring the air traffic controllers to get planes into the air quicker, and it would be pressuring them to shorten the separation distances between airplanes.

Already in this country, in order to increase capacity at our airports without adding capacity in terms of new facilities and runways, we are doing a number of things. We are reducing separation distances between arriving aircraft.

A couple of years ago, I was doing a landing at O'Hare. I was on a commercial air carrier. We were about to land at O'Hare. Lo and behold, we were about to land on top of another plane that was still on the runway. At the last minute, the pilot lifted up, and we took off again right before we hit the other plane that had not gotten off the runway. Many people have probably been through that experience. It is pretty frightening.

If we are going to cram more flights into the same space at O'Hare, we are going to see more incidents like that. They are already reducing runway occupancy time. You will notice when your plane lands that it hightails it off that runway because it knows there is another plane right behind.

They are doing something that they call land-and-hold operations—they are doing it at O'Hare and across the country—where the plane lands, and it has to get to a crisscross with another runway. They have to hold while another plane lands. Pilots hate to do that, but they are forced to by air traffic control.

We are seeing increasing incidents of triple converging runway arrivals in this country. All of this is designed to put more planes together in time and space. I think it is obvious to anybody that decreases the margin of safety

that we have in aviation in this country.

I think that is a great mistake because nothing is as important as the safety of the flying public.

I call your attention to an article that appeared in USA Today. I apologize. The date is wrong on this. It says November 13, 1999. Obviously, that was November 13 of a different year because we haven't gotten to November 13 of 1999. This is actually from 1998.

They had a front-page headline article called: ''Too Close for Comfort. Crossing Runways Debated as Travel Soars. Safety, On-Time Travel on Collision Course, Pilots Say.''

Let me read a quote from this article from USA Today from November 13, 1998.

''They are just trying anything to squeeze out more capacity from the system,'' says Captain Randolph Babbitt, President of the Airline Pilots Association, which represents 51,000 of the 70,000 commercial pilots in the United States and Canada. ''Some of us think this is nibbling at the safety margins.''

Probably at no airport in the country have we nibbled more at the safety margins than at O'Hare International Airport—the world's biggest airport, the world's most congested, the one that has the most delays in this country.

I will read a portion of a letter that was sent earlier this year to the Governor of our great State, Governor George Ryan.

My name is John Teerling and I recently retired, after 31.5 years with American Airlines as a Captain, flying international routes in Boeing 767 and 757's. I was based at Chicago's O'Hare my entire career. I have seen the volume of traffic at O'Hare pick up and exceed anyone's expectations, so much so, that on occasions, mid-airs were only seconds apart. O'Hare is at maximum capacity, if not over capacity. It is my opinion that it is only a matter of time until two airliners collide making disastrous headlines.

I close with that thought, and I caution the Senate on the effects of our interfering in the rulemaking authority of the FAA, overruling their authority, and by statute rewriting their rules.

I ask unanimous consent that this letter to Governor George Ryan from this former American Airlines captain, John Teerling, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JOHN W. TEERLING,
Lockport, IL, January 18, 1999.

RE: A Third Chicago Airport

Gov. GEORGE RYAN,
State Capitol, Springfield, IL.

DEAR GOVERNOR RYAN: My name is John Teerling and I recently retired, after 31.5 years with American Airlines as a Captain, flying international routes in Boeing 767 and 757's. I was based at Chicago's O'Hare my entire career. I have seen the volume of traffic at O'Hare pick up and exceed anyone's expectations, so much so, that on occasion mid-airs were only seconds apart. O'Hare is at maximum capacity, if not over capacity. It is my opinion that it is only a matter of time until two airliners collide making disastrous headlines.

Cities like Atlanta, Dallas and especially Miami continue to increase their traffic flow, some months exceeding Chicago, and at some point could supersede Chicago permanently. If Chicago and Illinois are to remain as the major Hub for airline traffic, a third major airport has to be built, and built now. Midway, with its location and shorter runways will never fill this void. A large international airport located in the Peotone area, complete with good ground infrastructure (rail and highway) to serve Chicago, Kankakee, Joliet, Indiana and the Southwest suburbs, would be win, win situation for all. The jobs created for housing and offices, hotels, shopping, manufacturing and light industry could produce three to four hundred thousand jobs. Good paying jobs.

Another item to consider, which I feel is extremely important is weather. I have frequently observed that there are two distinct weather patterns between O'Hare and Kankakee. Very often when one is receiving snow, fog or rain the other is not. These conditions affect the visibility and ceiling conditions determining whether the airports operate normally or not. Because of the difference in weather patterns when one airport, say O'Hare, is experiencing a hampered operation, an airport in Peotone, in all probability, could be having more normal operations. Airliners could then divert to the ''other'' Chicago Airport, saving time and money as well as causing less inconvenience to the public. (It's better to be in Peotone than in Detroit).

It is well known that American and United, who literally control O'Hare with their massive presence, are against a third airport. Why? It is called market share competition and greed. A new airport in the Peotone area would allow other airlines to service Chicago and be competition. American and United are of course dead set against that. What they are not considering is that their presence at a third airport would afford them an even greater share of the Chicago regional pie as well as put them in a great position for future expansion.

You also have Mayor Daley against a third airport because he feels a loss of control and possible revenue for the city. This third airport, if built, and it should be, should be classified as the Northern Illinois Regional Airport, controlled by a Board with representatives from Chicago and the surrounding areas. That way all would share in the prestige of a new major international airport along with its revenues and expanding revenue base.

The demand in airline traffic could easily expand by 30% during the next decade. Where does this leave Illinois and Chicago? It leaves us with no growth in the industry if we have no place to land more airplanes. If Indiana were ever to get smart and construct a major airport to the East of Peotone, imagine the damaging economic impact it would have on Northern Illinois!

Sincerely,

JOHN W. TEERLING.

Mr. FITZGERALD. Thank you, Mr. President.

I yield the floor.

Mr. MCCAIN. Mr. President, although I have serious reservations with respect to one or two provisions, I rise in support of the amendment by Senators GORTON and ROCKEFELLER to replace the slot-related provisions in the bill.

It won't surprise anyone to hear that my reservations primarily concern Reagan National. It is deeply regrettable that the amendment takes a step backward in terms of competitive access to Reagan National. The Commerce Committee overwhelmingly approved providing 48 slot exemptions for more service. This amendment will cut that number in half. I understand that this bill may not have come to the floor if this compromise had not been made, but I certainly am not happy about it. Nevertheless, some additional access is better than none at all.

The most frustrating aspect of this compromise is that the continued existence of slot and perimeter restrictions at Reagan National flies in the face of every independent analysis of the situation. To support my position, I can quote at length from reports by the General Accounting Office (GAO), the National Research Council, and others, all of which conclude that slots and perimeter rules are anticompetitive, unfair, unneeded, and harmful to consumers. Despite the voluminous support for the fact that these restrictions are bad public policy, we allow them to continue.

Reagan National should not receive special treatment just because it is located inside the Beltway. This amendment will already lead to the eventual elimination of the high density rule at O'Hare, Kennedy, and LaGuardia. If we believe it is good policy at those airports, why is it not the same for Reagan National? Arguments that opening up the airport to more service and competition will harm safety, exceed capacity, or adversely affect other airports in the region are without merit. The GAO recently concluded that the proposals in the committee-reported bill are well within capacity limits and would not significantly impact nearby airports. In addition, the DOT believes that increased flights would not be a safety risk.

With any luck, the wisdom and benefits of increasing airline competition will eventually win out over narrow parochial interests. It saddens me to say that it will not happen today. Another opportunity to do the right thing by the traveling public is being missed.

But my concerns about the Reagan National provisions do not in any way diminish my enthusiastic support for the other competition enhancing provisions in the bill. Eliminating the slot controls at the other restricted airports is a remarkable win for the principle of competition and for consumers. As GAO and others have repeatedly found, more competition leads to lower fares and better service. And in the interim, new entrants and small communities will benefit from enhanced access, which is more good news.

I want to make our intent clear with respect to the provisions that govern

the time period before the slot restrictions are lifted. We are providing additional access for new service to small communities and for new entrants and limited incumbent airlines. Because these airports are already dominated by the major airlines, which jealously hold on to slots to keep competitors out, we intentionally limited their ability to take advantage of the new opportunities.

The amendment directs that Secretary of Transportation to treat commuter affiliates of the major airlines the same, for purposes of applying for slot exemptions and for gaining interim access to O'Hare. Let me be perfectly clear about what this provision means. It means the Secretary should consider commuter affiliates as new entrants or limited incumbents for purposes of applying for slot exemptions and interim access to O'Hare. A major airline should not be allowed to game the system and add to its hundreds of daily slots through its commuter affiliates and codeshare partners. Genuine new entrants and limited incumbents are startup airlines that cannot get competitive access to the high density markets.

Many provisions in this amendment are just as that Senate approved them in last year's bill, so I will forgo a discussion of the various studies and other requirements that ensure people residing around these airports have their concerns addressed. Suffice it to say that the FAA and DOT will be very busy monitoring conditions in and around the four affected airports over the next few years. If these provisions begin having seriously adverse impacts, which I do not anticipate, we will certainly know about them.

The benefits of airline deregulation have been proven time and again in study after study. But the job that Congress started 20 years ago is incomplete. We still retain outdated controls over the market. Even worse, these controls work to the benefit of entrenched interests and to the detriment of consumers and competition. The sooner the Federal Government stops playing favorites in the industry the better off air travelers will be. The majority of provisions in this bill will get us closer to the goal of completing deregulation.

I urge my colleagues to support the Gorton amendment and vote against any second degree amendment that might weaken its move toward a truly deregulated aviation system.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROCKEFELLER. Mr. President, I would just make a couple of comments in general and not direct it to those who are trying to decrease or increase slots at airports but some philosophical points.

A lot of these rules were set, as has been pointed out, some 30 years ago. Of course, there has been a lot of technology which has developed since that time, and a lot of it which has been in place since that time which allows much more efficient use. We don't have so-called ''buy and sell'' situations anymore. We have slots.

We also have, as I described in my opening statement yesterday, millions of Americans who fly every year, and 1 billion people will be flying in the next decade. We have a tripling of air cargo. We have an enormous increase in international flights. We have an enormous increase in letters and boxes, all of which require flights and all of which require slots. They go to different airports. But the point is everything is increasing.

I don't think that any of us on the floor or colleagues who will be here to vote on various issues can pretend that we can turn around and say: All right, Mr. and Mrs. America. Yes, you are making more income. Yes, you are maybe vacation-conscious. Yes, this is a free market system. Yes, you live in a free country and you want to fly to more places and you have the money now to take your children with you. You are writing more letters. You are sending more packages because more services are available.

We cannot pretend as though we are going to stop this process. I don't want to make the comparison to the Internet because the Internet has a life of its own. But it comes to mind. There are a lot of people who want to stop some of the things going on on the Internet. They can't do it. The Internet has a life of its own. It is the result of the free enterprise system that people decide to buy it or not buy it. That is their choice.

But people also have the choice as to whether they want to fly or not. We are now coming to the point where we have the technology to allow a lot more of that to happen.

I described a visit I made to the air traffic control center in Herndon, VA, which is highly automated and has the highest form of technology. If you want to say: All right. How many flights are in the air right now from 3,000 to 5,000 feet? How many are in the air now from 5,000 to 7,000, or 5,000 to 6,000? They push a button, and they can tell you every flight—because I have seen it—every flight in the country at certain levels. The whole concept of being able to increase flights is going to be there.

No. 1, we have established the fact that Americans are free. This is not the former Soviet Union. People have the right to fly. They have the money to fly. The economy is doing better, and exponentially everything is growing. That case is closed.

If somebody wants to say, let's stop that, let's just say we are going to pretend it was 30 years ago and only so many people can fly, only so many letters can be written, only so many international flights, the Italians and French are going to have to stop, it is OK the Japanese and Germans do it—life does not work like that. People have the right to make their decisions, and it is up to us in Congress to expedite the ability of the FAA to have in place the instruments, the technology, and the funding to make all of this work properly.

I point out one economic thing that comes from the Department of Transportation which is very interesting. This happens to deal with O'Hare. That is an accident; it is not deliberate. But it makes an interesting point because it talks about the benefits if you open up slots and it talks about the deficiencies; there are both. If you open up more slots, you will get a benefit for the consumer that outweighs the total cost of the delays and, in short, the consumer will save a great deal of money, or a certain amount of money, on tickets. They will save money because there will be more competition, because there will be more slots, because there will be more flights. That is the free-market system. That is what brings lower costs.

I do not enjoy flying from Charleston, WV, to Washington, DC, and paying $686 for a flight on an airplane into which I can barely squeeze.

Let's understand, we have something which is growing exponentially and happens to be terrific for our economy. As I indicated, 10 million people work in this industry. You are not going to stop people from sending letters. You are not going to stop people from flying. You are not going to stop people from taking vacations. You are not going to stop international traffic. None of that is going to happen. We have to accommodate ourselves.

Does that mean there is going to be somewhat more noise? Yes.

Does that mean we have to improve systems, engines, and research that are reducing that noise? Yes, we do.

Does that mean there are going to be more delays? Probably.

But the alternative to that is to say, all right, since we cannot have a single delay and nobody can be inconvenienced a single half hour, then let's just shut all of this off and go back to the 1960s and pretend we are in that era. We cannot do that. We simply cannot do that.

I introduce that thought into this conversation. There will be other amendments and other points that will be made about it. But we are dealing with inexorable growth, which the American people want, which the international community wants, which is now supported by an economy which is going to continue to sustain it. Even if the economy goes through a downturn, it is not going to slow down traffic use substantially because once people begin to fly, they keep on flying; they do not give up that habit.

We are dealing with a fact of life to which we have to make an adjustment in two ways: One, we have to be willing to accept certain inconveniences. I happen to live in one place where the airplanes just pour over my house. I do not enjoy that, but I adjust to it.

Let's deal in the real world here. Flights are good for the economy; flights are good for Americans; flights are good for the world. Packages and letters are all part of communication. There is nothing we are going to do to stop it, so we have to make adjustments. One, in our own personal lives, and, two, we in Congress have to make adjustments by being far more aggressive in terms of expediting funding for research, instruments, and technology that will make all of this as easy as possible.

I thank the Presiding Officer and yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask unanimous consent to add Senator GRASSLEY as an original cosponsor of the Collins amendment No. 1907.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1892, AS MODIFIED

Mr. MCCAIN. Mr. President, on behalf of Senator GORTON, I send to the desk a modification to amendment No. 1892 offered yesterday by Senator GORTON and ask that it be considered.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 1892), as modified, is as follows:

On page 9, beginning with line 15, strike through line 11 on page 10 and insert the following:

''(2) NEW OR INCREASED SERVICE REQUIRED.—Paragraph (1)(A) applies only if—

''(A) the air carrier was not providing air transportation described in paragraph (1)(A) during the week of June 15, 1999; or

''(B) the level of such air transportation to be provided between such airports by the air carrier during any week will exceed the level of such air transportation provided by such carrier between Chicago O'Hare International Airport and an airport described in paragraph (1)(A) during the week of June 15, 1999.

AMENDMENT NO. 1950 TO AMENDMENT NO. 1906

Mr. MCCAIN. Mr. President, I ask unanimous consent to call up amendment No. 1906 submitted by Senator VOINOVICH, and on behalf of Senator GORTON, I send a second-degree amendment, No. 1950 to amendment No. 1906, and ask that the second-degree amendment be adopted and that the amendment No. 1906, as amended, then be adopted.

The PRESIDING OFFICER. Without objection, it is so. ordered.

The amendment (No. 1906) is as follows:

Strike section 437.

The amendment (No. 1950) was agreed to, as follows:

SEC. 437. DISCRIMINATORY PRACTICES BY COMPUTER RESERVATIONS SYSTEMS OUTSIDE THE UNITED STATES.

(a) ACTIONS AGAINST DISCRIMINATORY ACTIVITY BY FOREIGN CRS SYSTEMS.—Section 41310 is amended by adding at the end the following:

''(g) ACTIONS AGAINST DISCRIMINATORY ACTIVITY BY FOREIGN CRS SYSTEMS.—The Secretary of Transportation may take such actions as the Secretary considers are in the public interest to eliminate an activity of a foreign air carrier that owns or markets a computer reservations system, when the Secretary, on the initiative of the Secretary or on complaint, decides that the activity, with respect to airline service—

''(1) is an unjustifiable or unreasonable discriminatory, predatory, or anticompetitive practice against a computer reservations system firm;

''(2) imposes an unjustifiable or unreasonable restriction on access of such a computer reservations system to a market.''.

(b) COMPLAINTS BY CRS FIRMS.—Section 41310 is amended—

(1) in subsection (d)(1)—

(A) by striking ''air carrier'' in the first sentence and inserting ''air carrier, computer reservations system firm,'';

(B) by striking ''subsection (c)'' and inserting ''subsection (c) or (g)''; and

(C) by striking ''air carrier'' in subparagraph (B) and inserting ''air carrier or computer reservations system firm''; and

(2) in subsection (e)(1) by inserting ''or a computer reservations system firm is subject when providing services with respect to airline service'' before the period at the end of the first sentence.

The amendment (No. 1906), as amended, was agreed to.

AMENDMENTS NOS. 1900 AND 1901, EN BLOC

Mr. MCCAIN. Mr. President, on behalf of Senator ROBB, I send to the desk two amendments that have been cleared on both sides.

The PRESIDING OFFICER. Without objection, the amendments will be reported en bloc.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Mr. ROBB, proposes amendments numbered 1900 and 1901, en bloc.

The amendments are as follows:

AMENDMENT NO. 1900

(Purpose: To protect the communities surrounding Ronald Reagan Washington National Airport from nighttime noise by barring new flights between the hours of 10:00 p.m. and 7:00 a.m.)

At the appropriate place, insert the following new section:

SEC. . CURFEW.

Notwithstanding any other provision of law, any exemptions granted to air carriers under this Act may not result in additional operations at Ronald Reagan Washington National Airport between the hours of 10:00 p.m. and 7:00 a.m.

AMENDMENT NO. 1901

(Purpose: To require collection and publication of certain information regarding noise abatement)

At the appropriate place, insert the following new title:

TITLE ___—

SEC. ___01. GOOD NEIGHBORS POLICY.

(a) PUBLIC DISCLOSURE OF NOISE MITIGATION EFFORTS BY AIR CARRIERS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary of Transportation shall collect and publish information provided by air carriers regarding their operating practices that encourage their pilots to follow the Federal Aviation Administration's operating guidelines on noise abatement.

(b) SAFETY FIRST.—The Secretary shall take such action as is necessary to ensure that noise abatement efforts do not threaten aviation safety.

(c) PROTECTION OF PROPRIETARY INFORMATION.—In publishing information required by this section, the Secretary shall take such action as is necessary to prevent the disclosure of any air carrier's proprietary information.

(d) NO MANDATE.—Nothing in this section shall be construed to mandate, or to permit the Secretary to mandate, the use of noise abatement settings by pilots.

SEC. ___02. GAO REVIEW OF AIRCRAFT ENGINE NOISE ASSESSMENT.

(a) GAO STUDY.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and report to Congress on regulations and activities of the Federal Aviation Administration in the area of aircraft engine noise assessment. The study shall include a review of—

(1) the consistency of noise assessment techniques across different aircraft models and aircraft engines, and with varying weight and thrust settings; and

(2) a comparison of testing procedures used for unmodified engines and engines with hush kits or other quieting devices.

(b) RECOMMENDATIONS TO THE FAA.—The Comptroller General's report shall include specific recommendations to the Federal Aviation Administration on new measures that should be implemented to ensure consistent measurement of aircraft engine noise.

SEC. ___03. GAO REVIEW OF FAA COMMUNITY NOISE ASSESSMENT.

(a) GAO STUDY.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and report to Congress on the regulations and activities of the Federal Aviation Administration in the area of noise assessment in communities near airports. The study shall include a review of whether the noise assessment practices of the Federal Aviation Administration fairly and accurately reflect the burden of noise on communities.

(b) RECOMMENDATIONS TO THE FAA.—The Comptroller General's report shall include specific recommendations to the Federal Aviation Administration on new measures to improve the assessment of airport noise in communities near airports.

Mr. MCCAIN. Mr. President, I ask that the amendments be adopted en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 1900 and 1901) were agreed to.

Mr. MCCAIN. Mr. President, I move to reconsider the vote.

Mr. ROBB. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1904

(Purpose: to provide a requirement to enhance the competitiveness of air operations under slot exemptions for regional jet air service and new entrant air carriers at certain high density traffic airports)

Mr. MCCAIN. Mr. President, finally, I send to the desk amendment No. 1904 on behalf of Senator SNOWE, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for Ms. SNOWE, proposes an amendment numbered 1904.

The amendment is as follows:

At the end of title V of the Manager's substitute amendment, add the following:

SEC. ___. REQUIREMENT TO ENHANCE COMPETITIVENESS OF SLOT EXEMPTIONS FOR REGIONAL JET AIR SERVICE AND NEW ENTRANT AIR CARRIERS AT CERTAIN HIGH DENSITY TRAFFIC AIRPORTS.

(a) IN GENERAL.—Subchapter I of chapter 417, as amended by sections 507 and 508, is amended by adding at the end thereof the following:

''§ 41721. Requirement to enhance competitiveness of slot exemptions for nonstop regional jet air service and new entrant air carriers at certain airports

''In granting slot exemptions for nonstop regional jet air service and new entrant air carriers under this subchapter to John F. Kennedy International Airport, and La Guardia Airport, the Secretary of Transportation shall require the Federal Aviation Administration to provide commercially reasonable times to takeoffs and landings of air flights conducted under those exemptions.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for subchapter I of chapter 417, as amended by this title, is amended by adding at the end thereof the following:

''41721. Requirement to enhance competitiveness of slot exemptions for nonstop regional jet air service and new entrant air carriers at certain airports.''.

Mr. MCCAIN. Mr. President, this amendment has been cleared on the other side, and there is no further debate on the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 1904) was agreed to.

Mr. MCCAIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Virginia.

Mr. ROBB. Mr. President, I inquire of the Chair, what is the pending amendment at this time?

The PRESIDING OFFICER. Amendment No. 1898 offered by the Senator from Montana, Mr. BAUCUS.

Mr. ROBB. Mr. President, I ask unanimous consent that amendment No. 1898 be temporarily laid aside and that we return to consideration of amendment No. 1892 offered by the Senator from Washington, Mr. GORTON.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2259 TO AMENDMENT NO. 1892

(Purpose: to strike the provisions dealing with special rules affecting Reagan Washington National Airport)

Mr. ROBB. Mr. President, I send a second-degree amendment to amendment No. 1892 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. ROBB] for himself, Mr. SARBANES and Ms. MIKULSKI; proposes an amendment numbered 2259 to amendment No. 1892.

Beginning on page 12 of the amendment, strike line 18 and all that follows through page 19, line 2, and redesignate the remaining subsections and references thereto accordingly.

Mr. ROBB. Mr. President, I thank my friend and colleague from Arizona for accepting three out of four of the amendments I have proposed. I had hoped we might someday find a way he could accept the fourth. I am very much aware of the fact, however, that he and some others are not inclined to do that. I have, therefore, sent to the desk an amendment, just read by the clerk in its entirety, which simply strikes the section of the amendment that deals with the number of additional slots at National Airport.

In this particular case, this amendment offered by the Senator from Washington, while a step in the right direction from the original bill language which would have required that an additional 48 slots be forced on the Washington National Airport Authority, nonetheless cuts that in half and it gets halfway to the objective I hope we can ultimately achieve in this particular case.

The amendment would reduce to zero the number of changes in the slots that are currently in existence at Ronald Reagan Washington National Airport.

My primary objection to this section is that it breaks a commitment to the citizens of this region, by injecting the Federal Government back into the management of our local airports.

Before I discuss this issue in detail, I wish to make clear that I fully support nearly all of the underlying legislation and have for some period of time. Congress ought to approve a multiyear FAA reauthorization bill that boosts our investment in aviation infrastructure and keeps our economy going strong. There is no question about that. I have supported that from the very beginning, and I thank the managers for their efforts in this particular regard.

I have long believed that funding for transportation, particularly mass transportation, is one of the best investments our Government can make. For our aviation system, in particular, these investments are critical.

As Secretary of Transportation Rodney Slater noted:

. . . aviation will be for America in the 21st Century what the Interstate Highway System has been for America in this century.

It has been suggested that as part of our preparation for the next century of aviation to promote competition and protect consumers, we ought to impose additional flights on the communities surrounding National Airport.

It has been argued that the high density rule, which limits the number of slots or flights at National, is a restriction on our free market and hurts consumers. I do not dispute the fact that flight limits at National restrict free market. I believe, however, that the proponents of additional flights give an inaccurate picture of the supposed benefits of forcing flights on National Airport.

Before I go on to discuss the impact of additional flights on communities in Northern Virginia, I would like to deflate the idea that more flights will necessarily be a big winner for consumers.

Based on the number of GAO reports we have had on this subject, some of our colleagues may think slot controls are somehow the primary cause of consumer woes. When we look at the facts, however, this simply is not the case.

I understand reports by the GAO and by the National Research Council argue that airfares at slot-controlled airports are higher than average. However, the existence of higher-than-average fares does not tell us how slot controls may contribute to high fares at a specific airport. Many other factors, such as dominance of a given market by a particular carrier, or the leasing terms for gates, play a role in determining price. Also, simply noting the higher-than-average fares do not tell us whether slot controls are really a significant problem for the Nation.

The U.S. Department of Transportation has examined air service on a city-by-city basis looking at all service to each city. This chart shows a 1998 third quarter DOT assessment of airfares, ranking each city based on the average cost per mile traveled. As you can see, the airports with the slot controls are not at the top of the list. In fact, they do not even make the top 106. Slot-controlled Chicago, as my distinguished colleague from Illinois has pointed out, comes in at No. 19, right after Atlanta, GA; slot-controlled Washington, DC, comes in at 25, which is after Denver; and slot controlled New York is way down the list at No. 42.

Clearly, there are factors beyond slot controls that weigh heavily in determining how expensive air travel is in a particular city. So simply adding more flights will not necessarily bring costs down.

Proponents of adding more slots at National may argue, nonetheless, that their proposal is a slam-dunk win for consumers. But on closer examination,

more flights look less like a game-winning move and more like dropping the ball.

Advocates of more flights ignore or downplay a central fact: More flights mean more delays, as the Senator from Illinois has so eloquently pointed out. More flights mean more harm to consumers in the airline industry. This is the untold story of the impact of more flights at National.

The most recent GAO study downplays this issue in a passing reference to the impact of delays. According to the GAO:

[I]f the number of slots were increased . . . delays . . . could cause the airlines to experience a decreased profit . . . the costs [of delay] associated with the increase would be partially offset by consumer benefits.

A 1999 National Research Council report acknowledges that delays resulting from more flights may hurt consumers:

[I]t is conceivable that many travelers would accept additional delays in exchange for increased access to [slot-controlled] airports. . . . Recurrent delays from heavy demand, however, would prompt direct responses to relieve congestion.

Later on the report suggests ''congestion pricing'' to prevent delays. Congestion pricing would raise airport charges and, thus, airfares during busy times to reduce delays. In other words, the National Research Council is suggesting that additional flights would force consumers to either accept more delays or accept price hikes to manage delays.

I understand the underlying bill says that additional slots shall not cause ''meaningful delay.'' The legislation does not define ''meaningful delay,'' however, or provide any mechanism to protect consumers from delays, should they occur.

While both the GAO and the NRC reports acknowledge we can expect delays, neither report examines the specific impact of delays on consumers.

The most detailed analysis that is available to us comes from a 1995 DOT study titled ''A Study of the High Density Rule.'' That report examines the impact of several scenarios, including removing slots at National completely, and allowing 191 new flights, the maximum the airport could safely accept according to their report.

According to experts at DOT:

[T]he estimated dollar benefit of lifting the slot rule at National is substantially negative: minus $107 million.

This figure includes the benefits of new service and fare reductions, weighed against the cost of delays to consumers and airliners.

There is simply no getting around the fact that National has limits on how many flights it can safely manage. As we try to get closer to that maximum safe number, the more delays we will face.

The DOT report goes on to examine the specific impact of adding 48 new slots, as proposed by the underlying legislation. The report finds that the length of delays will nearly double from an average of something around 4.6 minutes to a delay of 8 minutes, on average. I will discuss the costs of these delays at National Airport in a moment.

But in case some of my colleagues think that a few minutes of delay is not a problem for air travelers, the Air Transport Association has estimated that last year delays cost the industry $2.5 billion in overtime wages, extra fuel, and maintenance. Indeed, yesterday I was flying up and down the east coast and all of those charges were clearly adding to the cost of the airline, which will ultimately be passed on to the consumer.

For consumers, there were 308,000 flight delays and millions of hours of time lost. For National in particular, the 1995 DOT report finds that airlines would see $23 million in losses due to delays. For consumers, 48 new slots would provide little benefit overall. Consumers would see $53 million in new service benefits, but delays would cost consumers $50 million.

The report assumes no benefits from fare reductions with 48 slots, but, being generous, I have assumed an estimated fare reduction of $20 million from fare benefits listed elsewhere in the report. Consumer benefits, therefore, are $53 million for new service; minus $50 million for delays, plus $20 million for possible discounts, for a total of about $23 million.

Considering the fact that about 16 million travelers use National each year, that works out to about $1.50 per person per trip in savings.

That is not much benefit for the 48 slots. For 24 slots, as the Gorton amendment provides, we don't have a good analysis of the cost of delay. I suspect, however, the ultimate consumer benefits are similarly modest.

We all value the free market and the benefit it provides to consumers. At the same time, it is the job of Congress to weigh the benefits of an unrestrained market against other cherished values. The free market does not protect our children from pollution, guard against monopolies, or preserve our natural resources. In this case, we are weighing a small benefit that would come from an additional 24 slots at National against the virtues of a Government that keeps its word and against the peace of mind of thousands of Northern Virginians, as well as many in the District of Columbia and Maryland.

Elsewhere in this bill, we would restrain the market. The legislation would restrict air flights over both small and large parks. I submit that is the right thing to do. We should work to preserve the sanctity of our national parks. But while this bill abandons free market principles to shield our parks, it uses free market principles as a sword to cut away at the quality of life in our Nation's Capital. It is wrong to try to force Virginians and those who live in this area, Maryland and the District of Columbia and elsewhere, to endure more noise from National Airport, especially when the consumer benefits are so small and so uncertain. Most troubling of all is the fact that this bill breaks a promise to the citizens of this region, a promise that they would be left to manage their own airports without Federal meddling. To give the context surrounding that promise, I must review some of the history of the high density rule and the perimeter rule at National.

National, as many of our colleagues know, was built in 1941. It was, therefore, not designed to accommodate large commercial jets. As a result, during the 1960s, as congestion grew, National soon became overcrowded. To address chronic delays, in 1966, the airlines themselves agreed to limit the number of flights at National. They also agreed to a perimeter rule to further reduce overcrowding. Long haul service was diverted to Dulles. During the 1970s and early 1980s, improvements were negligible or nonexistent at both National and Dulles, as any of our colleagues who served in this body or the other body at that time will recall, because there was no certainty to the airline agreements.

National drained flights from Dulles so improvements at Dulles were put on hold. Litigation and public protest over increasing noise at National blocked improvements there. As my immediate successor as Governor, Jerry Baliles, described the situation in 1986:

National is a joke without a punchline—National Airport has become a national disgrace. National's crowded, noisy, and incomprehensible. Travelers need easy access to the terminal. What they get instead is a half marathon, half obstacle course, and total confusion.

To address this problem, Congress codified the voluntary agreements the airlines had adopted on flight limits and created an independent authority to manage the airports. The slot rules limited the number of flights and noise at National, and the perimeter rule increased business at Dulles. Together with local management of the airports, these rules provided what we thought was long-term stability and growth for both airports. More than $1.6 billion in bonds have supported the expansion of Dulles. More than $940 million has been invested to upgrade National. These major improvements would not have taken place without local management and without the stability provided by the perimeter and slot rules.

The local agreement on slot controls was not enacted into Federal law simply to build good airports. Slot controls embodied a promise to the communities of Northern Virginia and Washington and Maryland.

In the 1980s, there was some discussion of shutting down National completely. Anyone who was here at the time will recall that discussion and the prospect that National might actually be shut down. We avoided that fate and the resulting harm to consumer choice with an agreement to limit National's growth. I suspect some individuals in communities around National believe the agreement did not protect them enough and should have limited flights even more. But by giving them some sense of security that airport noise would not continue to worsen by giving them a commitment, we were able to move ahead with airport improvements.

Congress and the executive branch recognized the community outrage that had blocked airport work and affirmed that a Federal commitment in law would allow improvements to go forward.

In 1986 hearings on the airport legislation, Secretary of Transportation Elizabeth Dole stated:

With a statutory bar to more flights, noise levels will continue to decline as quieter aircraft are introduced. Thus all the planned projects at National would simply improve the facility, not increase its capacity for air traffic. Under these conditions, I believe that National's neighbors will no longer object to the improvements.

As the Senate Committee on Commerce report noted at the time:

[I]t is the legislation's purpose to authorize the transfer under long-term lease of the two airports ''as a unit to a properly constituted independent airport authority to be created by Virginia and the District of Columbia in order to improve the management, operation and development of these important transportation assets.''

Local government leaders, such as Arlington County Board member John Milliken, at that time noted that they sought a total curfew on all flights and shrinking the perimeter rule but, in the spirit of compromise, would accept specific limitations on flights and the perimeter rule.

The airport legislation was not simply about protecting communities from airport noise. It was also about the appropriate role of the Federal Government. Members of Congress noted at the time that the Federal Government should not be involved in local airport management. In short, local airports should be managed by local governments, not through congressional intervention.

At a congressional debate on the airport legislation, Senator Robert Dole and Congressman Dick Armey affirmed that Federal management of the airports was harmful. According to Senator Dole:

There are a few things the Federal Government—and only the Federal Government—can do well. Running local airports is not one of them.

According to Congressman Dick Armey:

Transferring control of the airports to an independent authority will put these airports on the same footing as all others in the country. It gets the Federal Government out of the day-to-day operation and management of civilian airports, and puts this control into the hands of those who are more interested in seeing these airports run in the safest and most efficient manner possible.

I submit that local airports in Virginia have been well managed to date. We shouldn't now start second-guessing that effort.

Again, the legislation before us reneges on the Federal commitment to this region that the Federal Government would not meddle in airport management and that we would not force additional flights on National. Congress repeated that commitment in 1990 with the Airport Noise Capacity Act which left in place existing noise control measures across the country. That act, wherein Congress limited new noise rules and flight restrictions, also recognized that the Federal Government should not overrule preexisting slot controls, curfews, and noise limits. The 1990 act left in place preexisting rules, including flight limits at National.

The bill before us contributes to the growing cynicism with which the public views our Federal Government. Overruling protections that airport communities have relied on is fundamentally unfair.

Beyond the matter of fairness, forcing flights on National sets a precedent that will affect communities across the Nation. Many communities, such as Seattle, WA, and San Diego, CA, are trying to determine how they will address growing aviation needs and how their actions will affect communities around their airports.

Those debates will determine how communities will treat their existing airport, whether they will close the airport to prevent possible growth in excess noise or leave it open to preserve consumer benefits, with the understanding that growth will be restrained.

Those debates will also determine the location of new airports, whether a community will place the airport in a convenient location or further remove it from population centers to avoid noise impacts.

The action Congress takes today will shape those debates. Knowing that Congress may intervene in local airport management will tip the balance toward closing the more convenient local airports out of fear—fear that Congress will simply stamp out a local decision.

Unfortunately, for the citizens around National, they trusted the Federal Government. They hoped the Federal Government agreement that they had to limit flights would protect them. As former Secretary of Transportation William Coleman noted in 1986, ''National has always been a political football.''

To summarize, the additional flights proposed in this bill are not designed to address some major restraint on aviation competition. Slot controls may respect competition, but there are clearly many factors affecting airfares. More importantly, the benefits to consumers of 24 additional flights at National are very uncertain. We will clearly have delays, and none of the studies supporting additional flights have examined in detail the cost of those delays. The best study we have on the subject, a 1995 DOT report, suggests that because of those delays, consumers won't get much benefit—maybe $1.50 per person, on average.

We don't know how the delays at National—which we know will come if we approve the new flights—will affect air service in other cities with connecting flights to National. We are balancing these marginal benefits against the quality of life in communities surrounding the National Airport. We are pitting improved service for a few against quieter neighborhoods for many. We are also pitting a small, uncertain benefit to consumers against the integrity of the Federal Government.

Forcing additional flights on National breaks an agreement that Congress made in 1986 to turn the airport over to a regional authority and leave it alone.

A vote for this amendment to strike is a vote against more delays for consumers. A vote for this amendment is a vote in favor of a Federal Government that keeps its word. I urge my colleagues to support this amendment to strike and retain the bargain, both implied and explicit, that we made in 1986 with the communities that surround the two airports in question.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank my friend from Virginia. I understand his passion and commitment on this issue. On this particular issue, we simply have an honorable disagreement. He makes a very cogent argument, but with all due respect, I simply am not in agreement. I have a different view and perspective. He and I have debated this issue on a number of occasions in the past.

I want to make a few additional points. Twelve new round-trip flights at Reagan National is barely acceptable to me. Because of Senator ROBB's intense pressures and that of Senator WARNER, and others, we have reduced it rather dramatically from what we had hoped to do. I know the Senator from Virginia knows I won't give up on this issue because of my belief. But 12 additional round-trip flights are simply not going to help, particularly the underserved airports all over America.

The GAO has found on more than one occasion that significant barriers to

competition still exist at several important airports, and both at Reagan National Airport are slot controls and the perimeter rule.

The GAO is not the only one that assesses it that way. The National Research Council's Transportation Research Board recently issued its own report on competition in the airline industry. This independent group also found that ''the detrimental effects of slot controls on airline efficiency and competition are well-documented and are too far-reaching and significant to continue.''

Based on its finding, the Transportation Research Board recommended the early elimination of slot controls. They were equally critical of perimeter rules.

As I mentioned during my opening statement, the GAO came out last month with another study confirming that Reagan National is fully capable of handling more flights without compromising safety or creating significant aircraft delays. In fact, language in the bill requires that any additional flights would have to clear the Department of Transportation's assessment so far as any impact on safety. The GAO demonstrates that their arguments against these modest changes are not persuasive. I regret this legislation doesn't do more to promote competition at Reagan National Airport.

I earlier read a statement from one of Senator ROBB's constituents who alleged that he could not afford flights out of Reagan National Airport. Also, I got another letter that was sent to the FAA aviation noise ombudsman and printed in his annual activity report. The noise ombudsman deals almost entirely with complaints about noise.

The relevant section of that report reads as follows:

Very few citizens who are not annoyed by airplane noise take the time to publicly or privately voice an opinion. The Ombudsman received a written opinion from one such residence in the area south of National Airport which said:

Recently, someone left a ''flyer'' in my mailbox urging that I contact you to complain about aircraft noise into and out of the airport. I am going to follow her format point by point.

I have lived in (the area) for 35 years. I have not experienced any increase in aircraft noise. I have noticed a reduction in the loudness of the planes during that time.

That makes sense, Mr. President, since aircraft engines are quieter and quieter. The citizen says:

I do not observe aircraft flying lower. I have not observed more aircraft following one another more closely. I have not noticed the aircraft turning closer to the airport as opposed to ''down river.'' My quality of life has not significantly been reduced by aircraft noise. In fact, in the 1960s and 1970s, the noise was much louder. I am not concerned about property values due to the level of aircraft noise. I would be very concerned if there were no noise because it would mean the airport was closed. A closure of the airport would make my neighborhood less desirable to me and to many thousands of others who like the convenience of Reagan National Airport. I am concerned about safety and environmental impacts, as everybody should be; but Reagan National Airport has a good safety record and the environmental impact is no greater here than elsewhere. I have not heard any recent neighborhood ''upset''' about the increase in airport noise. Reagan National Airport is the most convenient airport that I have ever been in. I hope you will do more to expand its benefit by expanding the range of flights in and out of it.

This is certainly another resident of Northern Virginia who has, in my view, the proper perspective. Most local residents don't get motivated to write such letters as the one I just read. Apparently, there are those who drop flyers in mailboxes asking people to write and complain.

I yield to the Senator from Virginia.

Mr. ROBB. Mr. President, I thank my colleague and friend from Arizona, with whom I agree on so many issues but disagree on this particular question. First of all, I will let the Senator know that I am not in any way affiliated or associated with an effort to get people to write the Senator from Arizona or anybody else. There may be others with good intentions. But I submit to my friend from Arizona that the letter he just read makes the point we are trying to make; that is, the letter—which I haven't seen yet—talks about it was worse back in the early 1960s when we had a slots agreement which limited the number of planes. We had a decrease in noise because of the aircraft noise levels in the stage 3 aircraft. All of this is consistent with what has happened. Why most of the individuals who live in these areas want to continue to have the protections that were afforded to them by the 1986 agreement is precisely what is included in the letter my friend from Arizona just read.

I ask my friend from Arizona to react to my reaction to a letter previously unseen, but it seems to me to be directly on point and makes the point as to why we are pursuing an attempt to keep my friend from Arizona from breaking that agreement.

Mr. MCCAIN. I thank my friend.

First of all, the gentleman said 1960s and 1970s—not just 1960s, 1970s. He said the noise was much louder in the 1970s.

In a report to Congress recently, Secretary Rodney Slater announced that the Nation's commercial jet aircraft fleet is the quietest in history and will continue to achieve record low noise levels into the next century. Obviously, with stage 3 aircraft, that noise would be dramatically lessened, thank God. I hope there is going to be a stage 4 that will make it even quieter. Clearly, it is not, because actually the number of flights have been reduced at Reagan National Airport since the perimeter rule and the slot controls were put in—because, as the Senator knows, the major airlines aren't making full use of those slots as they are really required to do by, if not the letter of the law, certainly the intent of the law.

I remind the Senator, the requirement is they all be stage 3 aircraft. New flights would have to be stage 4 aircraft.

The Senator just pointed out how stage 3 aircraft are much quieter. They would have to meet any safety studies done by the DOT before any additional flights were allowed.

Again, the GAO and the Department of Transportation—literally every objective organization that observes the situation at Reagan National Airport—say that increase in flights is called for. The perimeter rule, which was put in in a purely blatant political move, as we all know—coincidentally, the perimeter rule reaches the western edge of the runway at Dallas-Fort Worth Airport. We all know who the majority leader of the House was at that time. We all know it has been a great boon to the Dallas-Fort Worth Airport.

Why wasn't it in Jackson, MS? I think if my dear friend, the majority leader, had been there at the time, perhaps it might have.

But the fact is that the perimeter rule was artificially imposed for restraint. The Senator knows that as well as I do.

But back to his question, again, the GAO, the DOT, the Aviation Commission, and every other one indicate clearly that this is called for. I want to remind the Senator. I do with some embarrassment—12 additional flights, 12 additional round-trip flights? I think my dear friend from Virginia doth protest too much.

Mr. ROBB. Mr. President, will my friend from Arizona yield for an additional question?

Mr. MCCAIN. Yes.

Mr. ROBB. Mr. President, I ask my friend from Arizona if he would address the other two principal concerns that have been raised—delays and the breaking of a deal. He has in part addressed the breaking of a deal. He says the deal in effect was political. Indeed, there are some political implications in almost anything that is struck, particularly as it affects jurisdictions differently in this body, as the Senator well knows. But it was a deal entered into by the executive branch, Congress on both sides, the governments of the local jurisdictions involved, and all of the local communities. That was the deal that was entered into. Now we are concerned about the impact of breaking the deal and the impact of additional delays.

As I mentioned just a few minutes ago, I myself was caught in delays that were exacerbated by the fact that we had some planes waiting to take off ''right now.'' That is without any additional flight authorization during the time periods that are going to be sought.

Second, certainly the Senator from Illinois talked about the fact that the mayor of Chicago came here for a specific reception that was in his honor to benefit Chicago and was inconvenienced to the point that he didn't arrive until after the reception was over and he turned right around. I almost did that yesterday on another flight.

But the point is, more flights mean more delays and mean breaking the deal that the Congress, the executive branch, and the local governments made with the people.

Will the distinguished Senator from Arizona address those two elements of my concern at this point? I agree certainly on the stage 3 engines and the continued noise reduction.

Mr. President, before he answers the question, let me thank him for his accommodation in many areas. I am not in any way diminishing the number of changes the Senator from Arizona has made to try to address legitimate concerns that he recognized could be addressed. And this is a less bad bill than we had earlier with respect to this particular component of it. But we are still not where the deal said we ought to be. We are still not where we can represent to the people that we are not going to be creating additional delays in an obviously constricted area.

Mr. McCAIN. I would be glad to respond very quickly. Does the Senator want an up-or-down vote on this amendment?

Mr. ROBB. The Senator would definitely like it.

Mr. McCAIN. I would like to ask the majority leader. Perhaps we can schedule it right after the lunch along with the other votes. I will ask the majority leader when he finishes his conversation. We are about to break for the lunch period. Would the majority leader agree to an up-or-down vote as part of the votes that are going to take place after the lunch?

Mr. LOTT. That would be my preference, actually, Mr. President. If the Senator will yield, I would like to get that locked in at this point, if you would like to do so.

Mr. McCAIN. I would be glad to.

Could I just very briefly respond. We have been down this track many times. Delays are due to the air traffic control system, and obviously our focus and the reason why we have to pass this bill is to increase the capability of the air traffic control system. Deals are made all the time, my dear friend. The people of Arizona weren't consulted. The people of California weren't consulted. It was a deal made behind closed doors, which is the most unpleasant aspect of the way we do business around here, where people were artificially discriminated against because they happened to live west of the Dallas-Fort Worth Airport. It is an inequity, and it is unfair and should be fixed.

Mr. LOTT. Mr. President, I ask unanimous consent that a vote on the Robb amendment be included in the stacked sequence of votes after the policy luncheon breaks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, if I may withhold for 1 second, I am concerned that there might be another Senator who would want to be heard on this issue. If so, we will delay the vote momentarily. But I don't know that that will be necessary, so let's go ahead and go forward with the stacked vote sequence.

AMENDMENT NO. 2254, AS MODIFIED

Mr. HATCH. Mr. President, I ask unanimous consent to modify amendment No. 2254, which I filed earlier today, to conform to the previous unanimous consent agreement as it relates to aviation matters. I send the modification to the desk.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

Insert at the appropriate place:

SEC. . ROLLING STOCK EQUIPMENT.

(a) IN GENERAL.—Section 1168 of title 11, United States Code, is amended to read as follows:

"§ 1168. Rolling stock equipment

''(a)(1) The right of a secured party with a security interest in or of a lessor or conditional vendor of equipment described in paragraph (2) to take possession of such equipment in compliance with an equipment security agreement, lease, or conditional sale contract, and to enforce any of its other rights or remedies under such security agreement, lease, or conditional sale contract, to sell, lease, or otherwise retain or dispose of such equipment, is not limited or otherwise affected by any other provision of this title or by any power of the court, except that the right to take possession and enforce those other rights and remedies shall be subject to section 362, if—

''(A) before the date that is 60 days after the date of commencement of a case under this chapter, the trustee, subject to the court's approval, agrees to perform all obligations of the debtor under such security agreement, lease, or conditional sale contract; and

''(B) any default, other than a default of a kind described in section 365(b)(2), under such security agreement, lease, or conditional sale contract that—

''(i) occurs before the date of commencement of the case and is an event of default therewith is cured before the expiration of such 60-day period;

''(ii) occurs or becomes an event of default after the date of commencement of the case and before the expiration of such 60-day period is cured before the later of—

''(I) the date that is 30 days after the date of the default or event of the default; or

''(II) the expiration of such 60-day period; and

''(iii) occurs on or after the expiration of such 60-day period is cured in accordance with the terms of such security agreement, lease, or conditional sale contract, if cure is permitted under that agreement, lease, or conditional sale contract.

''(2) The equipment described in this paragraph—

''(A) is rolling stock equipment or accessories used on rolling stock equipment, including superstructures or racks, that is subject to a security interest granted by, leased to, or conditionally sold to a debtor; and

''(B) includes all records and documents relating to such equipment that are required, under the terms of the security agreement, lease, or conditional sale contract, to be surrendered or returned by the debtor in connection with the surrender or return of such equipment.

''(3) Paragraph (1) applies to a secured party, lessor, or conditional vendor acting in its own behalf or acting as trustee or otherwise in behalf of another party.

''(b) The trustee and the secured party, lessor, or conditional vendor whose right to take possession is protected under subsection (a) may agree, subject to the court's approval, to extend the 60-day period specified in subsection (a)(1).

''(c)(1) In any case under this chapter, the trustee shall immediately surrender and return to a secured party, lessor, or conditional vendor, described in subsection (a)(1), equipment described in subsection (a)(2), if at any time after the date of commencement of the case under this chapter such secured party, lessor, or conditional vendor is entitled under subsection (a)(1) to take possession of such equipment and makes a written demand for such possession of the trustee.

''(2) At such time as the trustee is required under paragraph (1) to surrender and return equipment described in subsection (a)(2), any lease of such equipment, and any security agreement or conditional sale contract relating to such equipment, if such security agreement or conditional sale contract is an executory contract, shall be deemed rejected.

''(d) With respect to equipment first placed in service on or before October 22, 1994, for purposes of this section—

''(1) the term 'lease' includes any written agreement with respect to which the lessor and the debtor, as lessee, have expressed in the agreement or in a substantially contemporaneous writing that the agreement is to be treated as a lease for Federal income tax purposes; and

''(2) the term 'security interest' means a purchase-money equipment security interest.

''(e) With respect to equipment first placed in service after October 22, 1994, for purposes of this section, the term 'rolling stock equipment' includes rolling stock equipment that is substantially rebuilt and accessories used on such equipment.''.

(b) AIRCRAFT EQUIPMENT AND VESSELS.—Section 1110 of title 11, United States Code, is amended to read as follows:

"§ 1110. Aircraft equipment and vessels

''(a)(1) Except as provided in paragraph (2) and subject to subsection (b), the right of a secured party with a security interest in equipment described in paragraph (3), or of a lessor or conditional vendor of such equipment, to take possession of such equipment in compliance with a security agreement, lease, or conditional sale contract, and to enforce any of its other rights or remedies, under such security agreement, lease, or conditional sale contract, to sell, lease, or otherwise retain or dispose of such equipment, is not limited or otherwise affected by any other provision of this title or by any power of the court.

''(2) The right to take possession and to enforce the other rights and remedies described

in paragraph (1) shall be subject to section 362 if—

''(A) before the date that is 60 days after the date of the order for relief under this chapter, the trustee, subject to the approval of the court, agrees to perform all obligations of the debtor under such security agreement, lease, or conditional sale contract; and

''(B) any default, other than a default of a kind specified in section 365(b)(2), under such security agreement, lease, or conditional sale contract that occurs—

''(i) before the date of the order is cured before the expiration of such 60-day period;

''(ii) after the date of the order and before the expiration of such 60-day period is cured before the later of—

''(I) the date that is 30 days after the date of the default; or

''(II) the expiration of such 60-day period; and

''(iii) on or after the expiration of such 60-day period is cured in compliance with the terms of such security agreement, lease, or conditional sale contract, if a cure is permitted under that agreement, lease, or contract.

''(3) The equipment described in this paragraph—

''(A) is—

''(i) an aircraft, aircraft engine, propeller, appliance, or spare part (as defined in section 40102 of title 49) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that, at the time such transaction is entered into, holds an air carrier operating certificate issued under chapter 447 of title 49 for aircraft capable of carrying 10 or more individuals or 6,000 pounds or more of cargo; or

''(ii) a documented vessel (as defined in section 30101(1) of title 46) that is subject to a security interest granted by, leased to, or conditionally sold to a debtor that is a water carrier that, at the time such transaction is entered into, holds a certificate of public convenience and necessity or permit issued by the Department of Transportation; and

''(B) includes all records and documents relating to such equipment that are required, under the terms of the security agreement, lease, or conditional sale contract, to be surrendered or returned by the debtor in connection with the surrender or return of such equipment.

''(4) Paragraph (1) applies to a secured party, lessor, or conditional vendor acting in its own behalf or acting as trustee or otherwise in behalf of another party.

''(b) The trustee and the secured party, lessor, or conditional vendor whose right to take possession is protected under subsection (a) may agree, subject to the approval of the court, to extend the 60-day period specified in subsection (a)(1).

''(c)(1) In any case under this chapter, the trustee shall immediately surrender and return to a secured party, lessor, or conditional vendor, described in subsection (a)(1), equipment described in subsection (a)(3), if at any time after the date of the order for relief under this chapter such secured party, lessor, or conditional vendor is entitled under subsection (a)(1) to take possession of such equipment and makes a written demand for such possession to the trustee.

''(2) At such time as the trustee is required under paragraph (1) to surrender and return equipment described in subsection (a)(3), any lease of such equipment, and any security agreement or conditional sale contract relating to such equipment, if such security agreement or conditional sale contract is an executory contract, shall be deemed rejected.

''(d) With respect to equipment first placed in service on or before October 22, 1994, for purposes of this section—

''(1) the term 'lease' includes any written agreement with respect to which the lessor and the debtor, as lessee, have expressed in the agreement or in a substantially contemporaneous writing that the agreement is to be treated as a lease for Federal income tax purposes; and

''(2) the term 'security interest' means a purchase-money equipment security interest.''.

Mr. HOLLINGS. Mr. President, I rise today to discuss the Federal Aviation Administration reauthorization bill and I am pleased we will have this opportunity to consider the current state of the aviation industry and some of the enormous challenges facing our air transportation system over the next decade. I resisted efforts earlier this year to bypass Senate consideration of this major transportation bill and go directly to conference with the House when the Senate passed a short term extension bill for the Airport Improvement Program. We need to have a serious debate on the increasing demands for air transportation, the capital requirements for our future air transportation system, the availability of federal funding and whether the current structure of the aviation trust fund will meet those needs, and finally, the lack of competition and minimal service that most small and medium sized communities are faced with in this era of airline deregulation.

I want to commend Senators MCCAIN, ROCKEFELLER and GORTON for their hard work in resolving so many issues prior to bringing this bill to the floor. I am disturbed, however, by provisions in this bill which would force even more planes into an already jammed system in New York as well as Washington's National Airport. At a time when delays are at an all-time high, we continue to authorize more flights into and out of these already busy airports. I am even more perplexed at the timing of the current call to privatize our Air Traffic Control System. While certain segments of the industry support this effort, we often too quickly gravitate toward solutions such as privatization as cure all for whatever ails the system, instead of simply ensuring that the FAA has the tools and money it needs to do its job.

Aviation has become a global business and is an important part of the transportation infrastructure and a vital part of our national economy. Every day our air transportation system moves millions of people and billions of dollars of cargo. While many predicted that an economy based on advanced communications and technology would reduce our need for travel, the opposite has proved true. The U.S. commercial aviation industry recorded its fifth consecutive year of traffic growth, while the general aviation industry enjoyed a banner year in shipments and aircraft activity at FAA air traffic facilities. To a large extent, growth in both domestic and international markets has been driven by the continued economic expansion in the U.S. and most world economies.

The FAA Aerospace Forecasts Report, Fiscal Years 1999–2010, was issued in March of this year and forecasts aviation activity at all FAA facilities through the year 2010. The 12-year forecast is based on moderate economic growth and inflation, and relatively constant real fuel prices. Based on these assumptions, U.S. scheduled domestic passenger emplanements are forecast to increase 50.4 percent—air carriers increasing 49.3 percent and regional/commuters growing by 87.5 percent. Total International passenger traffic between the United States and the rest of the world is projected to increase 82.6 percent. International passenger traffic carried on U.S. Flag carriers is forecast to increase 94.2 percent.

These percentages represent a dramatic increase in the actual number of people using the air system, even when compared to the increase in air travel that occurred over the last ten years. Daily enplanements are expected to grow to more than 1 billion by 2009. In 2010, there will be 828 million domestic enplanements compared to last year's 554.6 million, and there will be 230.2 million international enplanements compared to today's figure of 126.1 million. Respectively, this represents an annual growth of 3.4% and 4.95% per year. Regional and commuter traffic is expected to grow even faster at the rate of 6.4%. Total enplanements in this category should reach 59.7 million in 2010. As of September 1997, there were 107 regional jets operating in the U.S. airline fleet. In the FAA Aviation Forecasts Fiscal years 1998–2009, the FAA predicts that there will be more than 800 of these in the U.S. fleet by FY2009.

Correspondingly, the growth in air travel has placed a strain on the aviation system and has further increased delays. In 1998, 23% of flights by major air carriers were delayed. MITRE, the FAA's federally-funded research and development organization, estimates that just to maintain delays at current levels in 2015, a 60% increase in airport capacity will be needed. As many of you may know, and perhaps experienced first hand, delays reached an all-time high this summer. These delays are inordinately costly to both the carriers and the traveling public; in fact, according to the Air Transport Association, delays cost the airlines and travelers $3.9 billion for 1997.

We cannot ignore the numbers. These statistics underscore the necessity of properly funding our investment—we must modernize our Air Traffic Control system and expand our airport infrastructure. In 1997, the National Civil

Aviation Review Commission came out with a report stating the gridlock in the skies is a certainty unless the Air Traffic Control, ATC, system and National Air Space are modernized. A system-wide delay increase of just a few minutes per flight will bring commercial operations to a halt. American Airlines published a separate study confirming these findings. A third, done by the White House Commission on Aviation Security and Safety, dated January 1997 and commonly known as the Gore Commission, recommends that modernization of the ATC system be expedited to completion by 2005 instead of 2015.

Regrettably, as the need to upgrade and replace the systems used by our air traffic controllers grows, funding has steadily decreased since 1992. In FY '92 the Facilities and Equipment account was funded at $2.4 Billion. In 1997, F&E was $1.938 Billion. In 1998, the account was funded at 1.901 billion. Assuming a conservative 2015 completion date, the modernization effort requires $3 billion per year in funding for the Facilities and Equipment Account alone, the mainspring of the modernization effort. Unfortunately, S.82 authorizes $2.689 billion for FY2000 while the Appropriations Committee has provided only $2.075 billion. We are falling short every year and losing critical ground in the race to update our national air transportation system.

Increasing capacity through technological advances is crucial to the functionality of the FAA and the aviation industry. Today, a great deal of the equipment used by the Air Traffic Controllers is old and becoming obsolete. Our air traffic controllers are the front line defense and insure the safety of the traveling public every day by separating aircraft and guiding takeoffs and landings. Our lives and those of our families, friends, and constituents are in their hands. These controllers and technicians do a terrific job. The fact that their equipment is so antiquated makes their efforts even more heroic.

We have the funds to modernize our air facilities but refuse to spend them and by doing so Congress perpetuates a fraud on the traveling public. The Airport and Airways Trust Fund, AAF, was created to provide a dedicated funding source for critical aviation programs and the money in the fund is generated solely from taxes imposed on air travelers and the airline industry. The fund was created so that users of the air transportation system would bear the burden of maintaining and improving the system. The traveling public has continued to honor its part of the agreement through the payment of ticket taxes, but the federal government has not.

Congress has refused to annually appropriate the full amount generated in the trust fund despite the growing needs in the aviation industry. The surplus generated in the trust fund is used to fund the general operations of government, similar to the way in which Congress has used surplus generated in the Social Security trust fund. At the end of FY 2000, the Congressional Budget Office predicts that there will be a cash balance of $14.047 billion in the AATF, for FY2001, it will be $16.499 billion. By FY2009, the balance will grow to $71.563 billion. Instead of using these monies to fund the operation of the general government, we should use them to fund aviation improvements, which is what we promised the American public when we enacted and then increased the airline ticket tax.

Let's get our aviation transport system up to par and let's provide ways to increase competition and maintain our worldwide leadership in aviation. Let's follow the lead of Chairman SHUSTER and Congressman OBERSTAR and vote to take the Trust Fund off-budget. I look forward to a thoughtful debate on these issues and I intend to work with Senators MCCAIN, ROCKEFELLER, and GORTON to accomplish this common goal of ensuring that the safest and most efficient air transportation system in the world stays so.

NATIONAL AIRSPACE REDESIGN

Mr. TORRICELLI. Mr. President, I rise today in support of a provision in S. 82, the FAA Reauthorization Bill, that will provide an additional $36 million over three years to the National Airspace Re-Design project, and to thank Chairman MCCAIN and Senators HOLLINGS, and ROCKEFELLER for their critical role in securing this funding.

Many of my colleagues may not realize this, but the air routes over the U.S. have never been designed in a comprehensive way, they have always been dealt with regionally and incrementally. In order to enhance efficiency and safety, as well as reduce noise over many metropolitan areas, the FAA is undertaking a re-design of our national airspace.

In an effort to deal with the most challenging part of this re-design from the outset, the FAA has decided to begin the project in the ''Eastern Triangle'' ranging from Boston through New York/Newark down to Miami. This airspace constitutes some of the busiest in the world, with the New York metropolitan area alone servicing over 300,000 passengers and 10,000 tons of cargo a day. The delays resulting from this level of activity being handled by the current route structure amount to over $1.1 billion per year.

While many of my constituents, and I am sure many of Senators HOLLINGS' and ROCKEFELLER's as well, are pleased by the FAA's decision to undertake this difficult task, they are concerned by the timetable associated with the re-design. The FAA currently estimates that it could take as long as five years to complete the project. However, my colleagues and I have been working with the FAA to expedite this process, and this additional funding will go a long way toward helping us achieve this goal.

In fact, I had originally offered an amendment to this legislation that would have required the FAA to complete the re-design process in two years, but have withdrawn it because it is my understanding that the Rockefeller provision will allow the agency to expedite this project.

I want to recognize Senator ROCKEFELLER again for including this funding in the bill, and ask Chairman MCCAIN and Senator ROCKEFELLER if it is the Committee's hope that this additional funding will be used to expedite the National Re-Design project, including the portion dealing with the ''Eastern Triangle's'' airspace.

Mr. MCCAIN. Mr. President, I begin by thanking my friend from New Jersey for his comments, and reassure him that it is the Committee's hope that the funding included in this legislation will allow us to finish the National Airspace Re-Design more expeditiously, including the ongoing effort in the Eastern Triangle.

Mr. ROCKEFELLER. Mr. President, I hope this money will be used to speed up the re-design project and finally bring some relief to the millions of Americans who use our air transportation system and live near our Nation's airports.

Mr. TORRICELLI. Mr. President, I am grateful to Chairman MCCAIN and Senator HOLLINGS and ROCKEFELLER for their cooperation and support. I look forward to collaborating with them again on this very important issue.

Mr. BENNETT. Mr. President, I rise today to express my support for the actions taken by the Commerce Committee and in particular, Chairman MCCAIN, in crafting provisions that will allow exemptions to the current perimeter rule at Ronald Reagan Washington National Airport. Mr. Chairman, I commend you on creating a process which I believe fairly balances the interests of Senators from states inside the perimeter and those of us from western states without convenient access to Reagan National.

These limited exemptions to the perimeter rule will improve service to the nation's capital for dozens of western cities beyond the perimeter—while ensuring that cities inside the perimeter are not adversely impacted by new service. This is a fair balance which is consistent with the overall intent of the bill to improve air service to small and medium-sized cities.

Throughout this bill, our goal has been to improve air service for communities which have not experienced the benefits of deregulation to the extent

of larger markets. The provision relating to improved access to Reagan National Airport is no different. Today, passengers from many communities in the West are forced to double or even triple connect to fly to Reagan National. My goal is to ensure that not just large city point-to-point service will benefit, but that passengers from all points west of the perimeter will have better options to reach Washington, DC via Ronald Reagan Washington National Airport. This provision is about using this restricted exemption process to spread improved access throughout the West—not to limit the benefits to a few large cities which already have a variety of options.

Let me be clear, according to the language contained in this provision, if the Secretary receives more applications for additional slots than the bill allows, DOT must prioritize the applications based on quantifying the domestic network benefits. Therefore, DOT must consider and award these limited opportunities to western hubs which connect the largest number of cities to the national air transportation network. In a perfect world, we would not have to make these types of choices and could defer to the marketplace. This certainly would be my preference. However, Congress has limited the number of choices thereby requiring the establishment of a process which will ensure that the maximum number of cities benefit from this change in policy.

I commend the Chairman and his colleagues on the Commerce Committee for their efforts to open the perimeter rule and improve access and competition to Ronald Reagan Washington National Airport. As a part of my statement, I ask unanimous consent to have printed in the RECORD a letter sent to Chairman MCCAIN on this matter signed by seven western Senators.

There being no objection, the letter was ordered to be printed—the RECORD, as follows:

U.S. SENATE,
Washington, DC, August 23, 1999.

Hon. JOHN MCCAIN,
Chairman, Committee on Commerce, Science, and Transportation, Washington, DC.

DEAR CHAIRMAN MCCAIN: We are writing to commend you on your efforts to improve access to the western United States from Ronald Reagan Washington National Airport. We support creating a process which fairly balances the interests of states inside the perimeter and those of western states without convenient access to Reagan National.

These limited exemptions to the perimeter rule will improve service to the nation's capital for dozens of western cities beyond the perimeter—while at the same time ensuring that cities inside the perimeter are not adversely impacted by new service. This is a fair balance which is consistent with the overall intent of the bill to improve air service to small and medium-sized cities.

The most important aspect of your proposal is that the Department of Transportation must award these limited opportunities to western hubs which connect the largest number of cities to the national transportation network. In our view, this standard is the cornerstone of our mutual goal to give the largest number of western cities improved access to the Nation's capital. We trust that the Senate bill and Conference report on FAA reauthorization will reaffirm this objective.

In a perfect world, we would not have to make these types of choices. These decisions would be better left to the marketplace. However, Congress has limited the ability of the marketplace to make these determinations. Therefore, we must have a process which ensures that we spread improved access to Reagan National throughout the West.

We look forward to working with you as the House and Senate work to reconcile the differences in the FAA reauthorization bills.

Sincerely,

ORRIN G. HATCH,
U.S. Senator.
LARRY E. CRAIG,
U.S. Senator.
CONRAD BURNS,
U.S. Senator.
CRAIG THOMAS,
U.S. Senator.
ROBERT F. BENNETT,
U.S. Senator.
MIKE CRAPO,
U.S. Senator.
MAX BAUCUS,
U.S. Senator.

Mr. BYRD. Mr. President, I rise in support of the Gorton-Rockefeller amendment. This amendment makes important revisions to the underlying bill concerning the rules governing the allocation of slots at the nation's four slot-controlled airports—Chicago O'Hare, LaGuardia, Kennedy, and Reagan National Airports. The issues surrounding the application of the high density rule, and the perimeter rule, are both complex and delicate. They engender strong feelings on all sides. I believe that the bipartisan leadership of the aviation subcommittee, Senators GORTON and ROCKEFELLER, performed a service to the Senate by crafting a compromise that, while not satisfactory to all Senators, proposes a regime that is much improved over the one contained in the committee-reported bill.

Mr. President, when the Senate is in session, my wife and I reside in Northern Virginia, not far from the flight path serving Reagan National Airport. I have had misgivings about proposals to tinker with the status quo in terms of the number of flights coming into Reagan National Airport and the distances to which those flights can travel. Despite efforts to reduce the levels of aircraft noise through the advent of quieter jet engines, I can tell my colleagues that the aircraft noise along the Reagan National Airport flight path is often deafening. It can bring all family conversation to a halt. Current flight procedures for aircraft landing at Reagan National Airport from the north call on the pilots to direct their aircraft to the maximum extent possible over the Potomac River. The intent of this procedure is to minimize the noise impact on residential communities on both the Maryland and Virginia sides of the river. Notwithstanding this policy, however, too often the aircraft fail to follow that guidance. That is not necessarily the fault of the pilots. During the busiest times of the day, the requirement to stray directly over certain residential communities is necessary for safety reasons in order to maintain a minimum level of separation between the many aircraft queued up to land at Reagan National Airport. I invite my colleagues to glance up the river during twilight one day soon. There is a high probability that you will see the lights of no fewer than four aircraft, all lined up, waiting to land, one right after the other.

I appreciate very much the earlier statements made by the distinguished chairman of the Commerce Committee, Senator MCCAIN. The chairman pointed out that the Department of Transportation has indicated that safety will not be compromised through additional flights at Reagan National Airport. I remain concerned, however, regarding the current capabilities of the air traffic control tower at that airport. The air traffic controllers serving in that facility have been quite outspoken regarding the deficiencies they find with the aging and unreliable air traffic control equipment in the tower. Indeed, the situation has become so severe that our FAA Administrator, Ms. Jane Garvey, mandated that the equipment in that facility be replaced far sooner than was originally anticipated. Even so, the new equipment for that facility has, like so many other FAA procurements, suffered from development problems and extended delays. Just this past weekend, I know many of my colleagues noticed the Washington Post article discussing a further two-year delay in the FAA's deployment of equipment to minimize runway incursions—the very frightening circumstance through which taxiing aircraft or other vehicles unknowingly stray onto active runways.

Given these concerns, Mr. President, I want to commend Senators GORTON and ROCKEFELLER for negotiating a reasonable compromise on this issue. The Gorton-Rockefeller amendment will reduce by half the increased number of frequencies into Reagan National Airport than was originally sought. It will also reserve half of the additional slots for flights serving cities within the 1,250 mile perimeter. Most importantly, Mr. President, these additional slots within the perimeter will be reserved for flights to small communities, flights to communities without existing service to Reagan National Airport, and flights provided by either a new entrant airline, or an established airline that will provide new competition to the dominant carriers at Reagan National.

As my colleague from West Virginia, Senator ROCKEFELLER, knows well, no state has endured the ravages of airline deregulation like West Virginia. We have experienced a very severe downturn in the quality, quantity and affordability of air service in our state. Fares for flights to and from our state have grown to ludicrous levels. A refundable unrestricted round-trip ticket between Reagan National Airport and Charleston, West Virginia, now costs $722. Conversely, Mr. President, I can buy the same unrestricted round-trip ticket to Boston, which is 100 miles farther away than Charleston, and pay less than half that amount. By targeting the additional slots to be provided inside the perimeter to underserved communities, the Gorton-Rockefeller amendment has taken a small but important step toward addressing this problem.

At the present time, the largest airport in West Virginia does have some direct service to Reagan National. We face greater hurdles, frankly, in gaining direct access to LaGuardia Airport in New York, as well as improved service to Chicago O'Hare. The Gorton-Rockefeller amendment expands slots at those airports as well. As a member of the Transportation Appropriations Subcommittee, I intend to diligently work with Senator ROCKEFELLER, Secretary Slater and his staff, to see that West Virginia has a fair shot at the expanded flight opportunities into these slot controlled airports.

Again, in conclusion, I want to rise in support of the Gorton-Rockefeller amendment. It is a carefully crafted compromise that is a great improvement over the underlying committee bill, and gives appropriate attention to the needs of under-served communities.

KEEPING AVIATION TRUST FUND ON BUDGET

Mr. LOTT. Mr. President, I understand that the Senator from New Mexico and the Senator from Alabama had filed four amendments that they were considering offering during Senate consideration of S. 82, the FAA reauthorization legislation. After discussions with them, with the managers of the bill and other interested Members, I understand the Members no longer feel it necessary to offer their amendments.

Mr. DOMENICI. The Leader's understanding is correct. After discussions with the managers of the reauthorization bill, I am comfortable with the assurances of the Majority Leader and the distinguished Chairman of the Commerce Committee on their commitment to preserve the current budgetary treatment for aviation accounts in the conferenced bill.

Mr. SHELBY. I, too, share the Senator's understanding, and would note that there is much to praise in both H.R. 1000 and S. 82 without regard to changing budgetary treatment of the aviation accounts. I would be very disappointed if the prospect of a multiyear reauthorization were frustrated by the House's intransigence on changing the budgetary treatment of the aviation accounts to the detriment of all other discretionary spending, including Amtrak, drug interdiction efforts of the Coast Guard, as well as many of the domestic programs funded in appropriations bills other than the one I manage as the Chairman of the Transportation appropriations subcommittee.

According to the Administration, the budget treatment envisioned in H.R. 1000 would create an additional $1.1 billion in outlays, which if it were absorbed out of the DOT budget would mean: ''elimination of Amtrak capital funding, thereby making it impossible for Amtrak to make the capital investments needed to reach self-sufficiency; and severe reductions to Coast Guard, the Federal Railroad Administration, Saint Lawrence Seaway, the Office of the Inspector General, the Office of the Secretary, and the Research and Special Programs Administration funding, greatly impacting their operations.'' Clearly, firewalls or off-budget treatment for the aviation accounts is a budget buster that would only further exacerbate the current budget problems we face staying under the spending caps.

Mr. LAUTENBERG. The Senator from Alabama and the Chairman of the Appropriations Committee make a good point. There is more at stake here than just aviation. Our experience over the last two years demonstrates that mandated increases in certain transportation accounts makes it extraordinarily difficult to fund other transportation accounts. While aviation investment is critical to the continued growth, development and quality of life of New Jersey and the Northeast, so is the continued improvement of Amtrak service and an adequately funded Coast Guard. Taking care of one mode of transportation with a firewall belies the reality and the importance of providing adequate investment in other modes of transportation—not to mention investment in other social programs.

Mr. LOTT. I share the concerns of the Senator from New Jersey and would mention that the Senator from New Mexico and the Senator from Alabama have informed me on more than one occasion that if a change in the budgetary treatment of the aviation accounts, whether off-budget or a firewall, is included in the conference report, it would make it extraordinarily difficult to consider the conference report in the Senate. If that occurs the prospect of a multi-year aviation reauthorization may disappear and we may have to settle for a simple one-year extension of the Airport Improvement Program.

Mr. DOMENICI. I associate myself with the remarks of my Leader and would also note that there has been much discussion by the proponents of changing the budgetary treatment of the FAA accounts because of the need to spend more from the airport and airways trust fund. I would like to set the record straight—for the last five years, we have spent more on the aviation accounts than the airport and airways trust fund has taken in. In addition, the Department of Transportation has estimated that we have spent in excess of $6 billion more on FAA programs than total receipts into the Airport and Airways Trust Fund over the life of the trust fund.

Mr. GORTON. My colleagues have been very clear as to their position on this issue. As a member of all three of the interested committees, Budget, Commerce, and Appropriations, I appreciate this issue from all the different perspectives. In short, I believe that we need to spend more on aviation infrastructure investment, but that increased investment should have to compete with other transportation and other discretionary spending priorities. I think the record shows that Senator SHELBY, Senator STEVENS, as well as the Senator from New Mexico and the Senator from Arizona are strong advocates for the importance of investing in airport and aviation infrastructure. I share their concern that firewalling or taking the aviation trust fund off-budget would allow FAA spending to be exempt for congressional budget control mechanisms, providing aviation accounts with a level of protection that is not warranted and I will not support such a proposition in conference.

Mr. DOMENICI. I appreciate the comment of the Senator from Washington and look forward to working with him on this important issue.

Mr. STEVENS. Mr. President, I, too, serve on more than one of the interested committees. On Commerce with the Leader, the Senator from Arizona, and the Senator from Washington, and on the Appropriations Committee with the Senator from New Mexico, the Senator from Alabama, and the Senator from Washington. No member's state relies on aviation more than does my state of Alaska. Yet, changing the budgetary treatment of the aviation accounts is, in my estimation, shortsighted and irresponsible. The FAA is to be commended, along with the airlines, for the level of safety they have contributed to achieving. However, the FAA is not known as the most efficient of agencies. Unfortunately, the FAA has had substantial problems on virtually every major, and minor, procurement and has been the subject of numerous audits and management reports that invariably call for increased accountability and oversight. Changing budgetary treatment cannot have other than a detrimental effect on the oversight efforts of the two committees

of jurisdiction that I serve on. For that reason as well as the reasons mentioned by the Leader, the Senators from Alabama, New Mexico and New Jersey, I cannot support a change in budgetary treatment for the aviation accounts.

Mr. MCCAIN. Mr. President, I hear and share the views of my colleagues on this issue. Clearly, I have been tasked by the Senate and the Leader with successfully completing a conference with the House on multi-year aviation reauthorization legislation. I, too, oppose any change in budgetary treatment of the aviation accounts.

Mr. DOMENICI. I note that the Administration strongly opposes any provisions that would drain anticipated budget surpluses prior to fulfilling our commitment to save Social Security. The House bill asks us to do for aviation what isn't done for education, veterans' benefits, national defense, or environmental protection. As important as aviation investment is, it would be fiscally irresponsible of us to grant it a bye from the budget constraints we face with in funding virtually every other program.

Mr. SHELBY. The assurances of my Leader and the distinguished Chairman of the Commerce Committee are all this Senator needs, and I withdraw my filed amendments.

Mr. LOTT. I thank my colleagues.

Mr. WARNER. Mr. President, I will offer an amendment to give Reagan National and Dulles International Airports equitable treatment under Federal law that is enjoyed today by all of the major commercial airports.

Congress enacted legislation in 1986 to transfer ownership of Reagan National and Dulles Airports to a regional authority which included a provision to create a Congressional Board of Review.

Immediately upon passage of the 1986 Transfer Act, local community groups filed a lawsuit challenging the constitutionality of the board of review. The Supreme Court upheld the lawsuit and concurred that the Congressional Board of Review as structured as unconstitutional because it gave Members of Congress veto authority over the airport decisions. The Court ruled that the functions of the board of review was a violation of the separation of powers doctrine.

During the 1991 House-Senate conference on the Intermodal Surface Transportation Efficiency Act (ISTEA), I offered an amendment, which was adopted, to attempt to revise the Board of Review to meet the constitutional requirements.

Those provisions were also challenged and again were ruled unconstitutional.

In 1996, in another attempt to address the situation, the Congress enacted legislation to repeal the Board of Review since it no longer served any function due to several federal court rulings. In its place, Congress increased the number of federal appointees to the MWAA Board of Directors from 1 to 3 members.

In addition to the requirement that the Senate confirm the appointees, the statute contains a punitive provision which denies all federal Airport Improvement Program entitlement grants and the imposition of any new passenger facility charges to Dulles International and Reagan National if the appointees were not confirmed by October 1, 1997.

Regretfully, Mr. President, the Senate has not confirmed the three Federal appointees. Since October 1997, Dulles International and Reagan National, and its customers, have been waiting for the Senate to take action. Finally in 1998, the Senate Commerce Committee favorably reported the three pending nominations to the Senate for consideration, but unfortunately no further action occurred before the end of the session because these nominees were held hostage for other unrelated issues. Many speculate that these nominees have not been confirmed because of the ongoing delay in enacting a long-term FAA reauthorization bill.

At the beginning of the 105th Congress in January 1997, Commerce Committee held hearings and approved the three nominees for floor consideration. Unfortunately, a hold was placed on them on the Senate floor at the very end of the Congress. All three nominees were renominated by the President in January 1999. Nothing has happened since.

Mr. President, I am not here today to join in that speculation. I do want, however, to call to the attention of my colleagues the severe financial, safety and consumer service constraints this inaction is having on both Dulles and Reagan National.

As the current law forbids the FAA from approving any AIP entitlement grants for construction at the two airports and from approving any Passenger Facility Charge (PFC) applications, these airports have been denied access to over $146 million.

These are funds that every other airport in the country receives annually and are critical to maintaining a quality level of service and safety at our Nation's airports. Unlike any other airport in the country, the full share of federal funds have been withheld from Dulles and Reagan National for over two years.

These critically needed funds have halted important construction projects at both airports. Of the over $146 million that is due, approximately $161 million will fund long-awaited construction projects and $40 million is needed to fund associated financing costs.

I respect the right of the Senate to exercise its constitutional duties to confirm the President's nominees to important federal positions. I do not, however, believe that it is appropriate to link the Senate's confirmation process to vitally needed federal dollars to operate airports.

Also, I must say that I can find no justification for the Senate's delay in considering the qualifications of these nominees to serve on the MWAA Board. To my knowledge, no one has raised concerns about the qualifications of the nominees. We are neglecting our duties.

For this reason, I am introducing an amendment today to repeal the punitive prohibition on releasing Federal funds to the airports until the Federal nominees have been confirmed.

Airports are increasingly competitive. Those that cannot keep up with the growing demand see the services go to other airports. This is particularly true with respect to international services, and low-fare services, both of which are essential.

As a result of the Senate's inaction, I provide for my colleagues a list of the several major projects that are virtually on hold since October, 1997. They are as follows:

At Dulles International there are four major projects necessary for the airport to maintain the tremendous growth that is occurring there.

Main terminal gate concourse: It is necessary to replace the current temporary buildings attached to the main terminal with a suitable facility. This terminal addition will include passenger hold rooms and airline support space. The total cost of this project is $15.4 million, with $11.2 million funded by PFCs.

Passenger access to main terminal: As the Authority continues to keep pace with the increased demand for parking and access to the main terminal, PFCs are necessary to build a connector between a new automobile parking facility and the terminal. The total cost of this project is $45.5 million, with $29.4 million funded by PFCs.

Improved passenger access between concourse B and main terminal: With the construction of a pedestrian tunnel complex between the main terminal and the B concourse, the Authority will be able to continue to meet passenger demand for access to this facility. Once this project is complete, access to concourse B will be exclusively by moving sidewalk, and mobile lounge service to this facility will be unnecessary. The total cost of this project is $51.1 million, with $46.8 million funded by PFCs.

Increased baggage handling capacity: With increased passenger levels come increase demands for handling baggage. PFC funding is necessary to construct a new baggage handling area for inbound and outbound passengers. The total cost of this project is $38.7 million, with $31.4 million funded by PFCs.

At Reagan National there are two major projects that are dependent on the Authority's ability to implement passenger facility charges (PFCs).

Historic main terminal rehabilitation: Even though the new terminal at Reagan National was opened last year, the entire Capital Development Program will not be complete until the historic main terminal is rehabilitated for airline use. This project includes the construction of nine air carrier gates, renovation of historic portions of the main terminal for continued passenger use and demolition of space that is no longer functional. The total cost of this project is $94.2 million with $20.7 million to be paid for by AIP entitlement grants and $36.2 million to be funded with PFCs. Additional airfield work to accompany this project will cost $12.2 million, with $5.2 million funded by PFCs.

Terminal connector expansion: In order to accommodate the increased passengers moving between Terminals B and C (the new terminal) and Terminal A, it is necessary to expand the ''Connector'' between the two buildings. The total cost of the project is $4.8 million, with $4.3 million funded by PFCs.

Mr. President, my amendment is aimed at ensuring that necessary safety and service improvements proceed at Reagan National and Dulles. Let's give them the ability to address consumer needs just like every other airport does on a daily basis.

This amendment would not remove the Congress of the United States, and particularly the Senate, from its advise-and-consent role. It allows the money, however, which we need for the modernization of these airports, to flow properly to the airports. These funds are critical to the modernization program of restructuring them physically to accommodate somewhat larger traffic patterns, as well as do the necessary modernization to achieve safety-most important, safety-and greater convenience for the passengers using these two airports.

Under the current situation these funds have been held up. It is over $146 million, which is more or less held in escrow, pending the confirmation by the Senate of the United States of three individuals to this board.

For reasons known to this body, that confirmation has been held up. The confirmation may remain held up. But this amendment will let the moneys flow to the airports for this needed construction for safety and convenience. It is my desire that at a later date, we can achieve the confirmation of these three new members to the board.

NATURAL RESOURCE CONSERVATION

Mr. LOTT. Mr. President, I am pleased to join my colleague from South Dakota, the minority leader, in submitting for the RECORD and acknowledging the importance of a letter we received last week from 40 of our Nation's Governors. This letter is distinctly bipartisan and the signatories represent both coastal and inland states. It unequivocally demonstrates strong national support for reinvesting a substantial portion of federal outer continental shelf (OCS) oil and gas development revenues in coastal conservation and impact assistance; open space and farmland preservation; development and maintenance of federal, state and local parks and recreation areas; and wildlife conservation. The Governors also stressed the importance of recognizing the role of state and local governments in planning and implementing these conservation initiatives.

Although the signatories to this letter did not identify specific legislation to which they are lending support, I believe that S. 25, the Conservation and Reinvestment Act of 1999, of which I am a cosponsor along with 20 other Senators, most nearly achieves the objectives outlined by the Governors. S. 25 has strong bipartisan support and offers Congress the best opportunity to pass legislation this year.

I share the belief of these Governors that the 106th Congress has a historic opportunity to demonstrate our solid commitment to natural resource conservation for the benefit of future generations. I urge my colleagues on both sides of the aisle to join hands in advancing this noble effort.

I thank the Governors for their letter. I invite the attention of my colleagues to this very important area which is a win-win-win for those who live in the coastal regions as I do, but also inland Governors who will help us with conservation and preservation.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 21, 1999.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate, Washington, DC.
Hon. THOMAS DASCHLE,
Minority Leader, U.S. Senate, Washington, DC.
Hon. J. DENNIS HASTERT,
Speaker of the House, House of Representatives, Washington, DC.
Hon. RICHARD GEPHARDT,
Minority Leader, House of Representatives, Washington, DC.

DEAR SENATORS LOTT AND DASCHLE AND REPRESENTATIVES HASTERT AND GEPHARDT: The 106th Congress has an historic opportunity to end this century with a major commitment to natural resource conservation that will benefit future generations. We encourage you to approve legislation this year that reinvests a meaningful portion of the revenues from federal outer continental shelf (OCS) oil and gas development in coastal conservation and impact assistance, open space and farmland preservation, federal, state and local parks and recreation, and wildlife conservation including endangered species prevention, protection and recovery costs.

Since outer continental shelf revenues come from nonrenewable resources, it makes sense to permanently dedicate them to natural resource conservation rather than dispersing them for general government purposes. Around the nation, citizens have repeatedly affirmed their support for conservation through numerous ballot initiatives and state and local legislation. We applaud both the Senate Energy and Natural Resources committee and the House Resources Committee for conducting a bipartisan and inclusive process that recognizes the unique role of state and local governments in preserving and protecting natural resources.

The legislation reported by the Committees should, to the maximum extent possible, permanently appropriate these new funds to the states, to be used in partnership with local governments and non-profit organizations to implement the various conservation initiatives. We urge the Congress to give state and local governments maximum flexibility in determining how to invest these funds. In this way, federal funds can be tailored to complement state plans, priorities and resources. State and local governments are in the best position to apply these funds to necessary and unique conservation efforts, such as preserving species, while providing for the economic needs of communities. The legislation should be neutral with regard to both existing OCS moratoria and future offshore development, and should not come at the expense of federally supported state programs.

We recognize that dedicating funds over a number of years to any specific use is a difficult budgetary decision. Nevertheless, we believe that the time is right to make this major commitment to conservation along the lines outlined in this letter.

We look forward to working with you to take advantage of this unique opportunity and are available to help ensure that this commitment is fiscally responsible. Thank you for your consideration of these legislative principles as you proceed to enact this important legislation.

Sincerely,

John A. Kitzhaber, Oregon; Mike Leavitt, Utah; Tom Ridge, Pennsylvania; Mike Foster, Louisiana; John G. Rowland, Connecticut; Parris N. Glendening, Maryland; Howard Dean, Vermont; Thomas R. Carper, Delaware; Christine Todd Whitman, New Jersey; James B. Hunt, Jr., North Carolina; Roy B. Barnes, Georgia; Jim Hodges, South Carolina; Lincoln Almond, Rhode Island; Angus S. King, Jr., Maine; Gary Locke, Washington; Argeo Paul Cellucci, Massachusetts; Cecil H. Underwood, West Virginia; Marc Rancot, Montana; Don Siegelman, Alabama; Gray Davis, California; Mel Carnahan, Missouri; Benjamin J. Cayetano, Hawaii; Jane Dru Hull, Arizona; Dirk Kempthorne, Idaho; Tony Knowles, Alaska; George H. Ryan, Illinois; James S. Gilmore III, Virginia; Jeanne Shabeen, New Hampshire; Bill Graves, Kansas; George E. Pataki, New York; Paul E. Patton, Kentucky; Tommy G. Thompson, Wisconsin; Bill Owens, Colorado; Mike Huckabee, Arkansas; Frank Keating, Oklahoma; Jim Geringer, Wyoming; Edward T. Schafer, North Dakota; Frank O'Bannon, Indiana; Kirk Fordice, Mississippi; William J. Janklow, South Dakota.